



United Kingdom Country Report

The year under review has seen a number of major gains. These are exciting times despite South Africa's ratings slipping an average of 15% in international economic competitiveness, democracy/ human rights and transparency/ corruption indices due to realities on the ground. Among these are the electricity crisis and other infrastructure and delivery issues, the skills shortage, the deteriorating climate in Zimbabwe and South Africa's position on its post-election situation, support for Myanmar, etc.

“Different cultures, same language”

The most effective ways used to limit the damage to South Africa's reputation and to fight negative views were:

- a. The strategy of putting South Africa's hosting of the 2010 World Cup at the centre of the country marketing effort. Much more can be done in this regard through closer collaboration between the IMC, SA Tourism and SAA and the major South African companies. Local companies are now more in the mood to talk about joint marketing ventures. A good example of where synergy could be greatly improved is on the 100-plus South African taxis now on the streets of London. They present an excellent opportunity for marketing (country, tourism, investment) in the run-up to 2010.
- b. The series of joint briefings conducted by our office and 2010 LOC's Edward Griffiths to media houses (BBC, Independent, FT, etc.) and key companies and PR agencies (College Hill, Portland, Webber Shandwick, etc.) have played a role in limiting sceptical and negative media coverage of 2010 in the United Kingdom (UK). A similar initiative is planned for Europe – particularly Germany which has a record of negative reporting on 2010.
- c. The strategy of aligning other major South African-related events to the 2010 build-up. This is made possible through stakeholder consultations, interventions, etc. Good examples here are the Mandela 90th birthday concert and other events, plus planned events to highlight Africa's hosting of 2010 and other major arts and culture events.

- d. A series of major political briefings carried out by our office to media houses following negative coverage (BBC: No More Mandelas) or pre-emptively (Independent, FT, etc.). Others are lined up this year. These have been effective in changing mindsets and assumptions and giving media opinion leaders alternative ways of seeing the South African story. Similar briefings have been given to investment and trade conferences (Omega and International Trade Fair) and financial services sector (Old Mutual insurers, etc.).
- e. The strategy of stressing continuity between the present government and the next following the change of ANC leadership at Polokwane last December. This has been the consistent message to investors over the past five months and it was a message effectively re-inforced by the ANC leader Jacob Zuma during his recent visit to the UK, Germany and France. IMC is using its contacts and key individuals in political, investor circles and media to ensure a well-managed and uniform message which did much to lift South Africa's flagging image.
- f. The cultivation of key individuals to promote South Africa's cause and change perceptions in key sectors in the UK has been a mainstay of our office's strategy. It has had substantial and even dramatic results in ensuring that there is always a brain-bank on hand to argue South Africa's case. This pool of luminaries hosts major events and upholds the country's achievement and potential in the fields of trade, tourism and investment. The core of those individuals engaging on a regular basis number between 20 and 30. However, a broader pool of around 150 South African opinion leaders in the UK are united in their willingness to be on hand for particular requests. There are moreover, over 1,000 British contacts on our office database.
- g. The launch of the UK network of Global South Africans is now planned for the second week of September to coincide with the third Bonham's sale of South African art in the UK.
- h. The strategy of continually reminding opinion leaders and captive audiences that the global centre of economic and political power is shifting eastwards and southwards at a significant rate. South Africa of course, is on the right side of that divide – increasingly close to China, India, Brazil, Mexico, Turkey, Korea, etc. This is a message that is increasingly understood in the traditional markets.

There is ongoing uncertainty about the future of Zimbabwe and the talks chaired by President Mbeki, high levels of violent crime, with a perception of growing government commitment to combat crime, but little visible progress. Also noteworthy, has been growing focus on the political succession, and what the chances are of a more populist President. But investors have mostly accepted that there won't be a fundamental change in the direction of economic policy.

Emerging however, were signs of growing concern among bankers that despite the country's promising investment prospects, niggling fears about crime could prevent senior representatives from being transferred to Johannesburg. This could tip the brain drain back into negative territory. The regular visits by key Ministers and government officials to the UK (Ministers Nqakula and Erwin; and Themba Maseko of GCIS) – which have all included encounters with groups of South Africans in London – are paying off well.

Managing South Africa's image abroad requires a radical gear-change. Again, this should put the hosting of the 2010 FIFA World Cup and infrastructure and

development plans at the centre of a proactive marketing campaign. But the country's external image management also cries out for domestic initiatives which can give a new zing to the campaign. This should replace the negative perceptions about capacity to fight crime, delivery and managing the leadership transition.

The battered image of South Africa had recovered somewhat by the end of the third quarter. South Africa's international reputation was returning to a more reasonable state despite setbacks like mine closures, the power crisis and succession issues.

Media messaging in the UK focused on fostering a sense of perspective with regard to South Africa's prospects. This was done in terms of its record over the past 14 years, rather than events of the past three months, and this is the better context.

The BBC documentary *No More Mandelas* by Fergal Keane showed the worst of the new media stereotype of a country facing a steep decline. It was broadcast mid-February and broadcast in South Africa on *Carte Blanche*. The messaging stressed our achievements to date, and what

would not change, as well as focusing on unchanged government policy with a managed transition. What went some way towards re-building confidence was a particular stress on how government responded to the energy crisis. This was done by way of the road-show to London. It ended in a presentation at Anglo American's results day (in February) showing that a medium-term energy crisis would be phased and handled according to sound management principles.

Government kept a low profile over the first quarter of 2008 internationally. The exception was Deputy Finance Minister Jabu Moleketi's energy crisis road-show and appearance at – and joint messaging with – Anglo American and the government handling of the energy crisis. Taking the media spotlight generally, was the broad Financial Times interview with ANC President Jacob Zuma, the extended meeting of the ANC NEC and the Zuma trip to Angola, as well as the Zimbabwean election.

All reports on the new ANC leadership highlighted the need for a greater meeting of minds between government and the new ANC leadership. Communications and media training also deserve priority.

Opportunities for convergence would arise during April. That is when the President, the deputy President, the Gauteng premier and two MECs and various members of the new ANC leadership were slated to visit the UK. With cooperation top of mind, our office proposed various interviews for the President and other visitors during this period and has been awaiting confirmation at the time of writing.

The trial of the ANC President in August continues to interest UK investors. They see it as a straight law and order issue: the law must take its course. The uncertainty over the fate of the Scorpions, legislation on the judiciary and accelerated land expropriation laws are all issues which require explanation and elaboration in the current climate of relative uncertainty over the succession.

Former President FW De Klerk presented an effective piece of international messaging on the road ahead in South Africa. This took place at the South African High Commission on 27th March.

It was a confidence-building speech which stressed that South Africa's economic fundamentals were intact and the prognosis for the future sound, despite major challenges over the next four to five years. De Klerk stressed that the energy crisis was under control and that this was accepted by the major international mining industry.

Tip seats in
London Cabs



Government and ANC messaging since the extended NEC meeting in March has gone some way to building confidence in a greater convergence and managed transition over the next 12 to 18 months. Agreement-in-principle over the inclusion of ANC Deputy President Kgalema Motlanthe

in government in one or other capacity, has helped the confidence-building process.

The result and outcome of the Zimbabwean elections was unresolved at the time of writing this report. However, there is clearly a major

communication challenge here to ensure that South Africa is perceived as being part of the solution, rather than part of what is now an international problem. There is a high degree of consensus as to what needs to happen next.

MEDIA COVERAGE AND MEDIA RELATIONS

The main strategy of our office has been to challenge and reverse at a strategic level the advent of a new grand narrative (e.g. BBC's *No More Mandelas*). This seeks to impose a paradigm of an unravelling democracy project in South Africa with rampant crime, Aids and the Zimbabwean meltdown setting the parameters. Apart from the BBC documentary (followed by a briefing of BBC department heads by our office) this new slant has not gained significant ground. It has been largely countered by the promotion of the successful economic story and the success of sectors such as tourism. On the other hand, this will become more of a challenge in the year ahead and the country will need other successes and continued

economic success for this strategy to work. Briefings of senior editorial staff and heads of department are generally both more cost- and goal-effective than the reactive approach. This is true particularly now that country marketers have been put on the defensive in traditional markets.

The visit in April of the ANC President Jacob Zuma was a good opportunity to demonstrate the massive potential media interest in South Africa. The country has a considerable reserve of goodwill internationally. The visit, which was given blanket interview coverage in the electronic media, produced more positive coverage for the South African brand than it has had in a while.

Other key individuals engaged in the review period include Nicky Bicket, head of corporate communications at Old Mutual; Tim Massey, director and convener of the 46664 concert to coincide with Mandela's 90th birthday; Jonathan Powell, Tony Blair's former chief political advisor; Tim Allan, former communications director in Downing Street and now CEO of Portland PR agency; King's College's Robert Crawford, head of diaspora studies; and Geraldine Bennett, former South African journalist and -communications chief for the Pebble-Bed Reactor, now the London representative of the World Nuclear Association.

Data and research focussed on the 2010 World Cup campaign and TV documentaries on crime (More4 and Channel4). Much time was spent on researching and preparing for the upcoming IMC strategy session. Tailored research for banks and investors on the current political and economic trends in South Africa were also a major focus of research during the months under review. Our office spent some time researching shifting perceptions and realities of Africa, and has put together a presentation to provide an African context for the marketing of South Africa.



FUTURE CHALLENGES

In the view of the UK country office, the major challenges for the year ahead are:

- a. Ensuring a unified country message. This needs to be backed up by regular visits by senior officials and South African opinion leaders (such as the Jabu Moleketi, Themba Maseko, Alec Erwin, Barney Pityana, Archbishop Desmond Tutu, Charles Nqakula, FW De Klerk and Jacob Zuma over the past 18 months). These should include more business, opposition, NGO and academic thought leaders.
- b. Mobilising the support of the major South African and South African-linked UK companies in the UK, to support and co-fund the country marketing effort.
- c. Consolidating and building on the network of key individuals battling for South Africa in the UK.
- d. Institutionalising regular inbound missions of key decision-makers to South Africa as a joint effort of all South African stakeholders.
- e. Encouraging outbound missions of key decision-makers from different sectors such as the model of the Labour Millennium Council. This can show how joined-up the players are in South Africa (labour, business, politics) and at the same time build on what the various sectors have in common.
- f. Aiming for a more co-ordinated briefing and alignment of both inbound and outbound missions to ensure maximum brand convergence.