



## Business Plan South – Africa



**Break-away**  
“ The Break-away, that breaks new ground “

by Rudy Deighton  
2006

### Contents

<b>INTRODUCTION.....</b>	<b>3</b>
1    GENERAL .....	3
2    OBJECTIVES AND BUILD-UP OF THE BUSINESS PLAN .....	4
3    DOCUMENT .....	5
<b>MARKET ANALYSIS .....</b>	<b>6</b>
1    MARKET SEGMENTATION .....	6
2    MARKET ANALYSIS .....	6
3    GEOGRAPHICAL POTENTIAL.....	7
4    BRANDING .....	8
4.1 <i>Roll-Out</i> .....	8
4.2 <i>Brand Positioning Pillars</i> .....	9
4.3 <i>Marketing Levers</i> .....	9
<b>CONCEPTUAL ANALYSIS.....</b>	<b>10</b>
1    INTRODUCTION .....	10
2    UPQs.....	11
3    WHY THESE PRODUCTS AND SERVICES? .....	12
4    WHY GIM ? .....	14
5    HOW DO WE DELIVER VALUE TO OUR CUSTOMERS IN THE SOUTH – AFRICA PROJECT? .....	15
6    CRITICAL SUCCESS FACTORS .....	15
<b>KGOTLA/GMI STRATEGY FOR SOUTH AFRICA .....</b>	<b>15</b>
1    VISION .....	15
2    MISSION.....	15
3    APPROACH.....	15
<b>FINANCIAL PARAGRAPH.....</b>	<b>20</b>
1    INTRODUCTION .....	20
2    INVESTMENT & DEVELOPMENT PLANNING .....	20
3    BUILDING PRESENCE: COSTS & REVENUES .....	20

### List of Figures

FIGURE 1 BRANDING PROCESSES .....	3
FIGURE 2 RELATIONSHIP OF AUTOMATED MARKETING FUNDAMENTALS.....	11
FIGURE 3 RELATIVE CUSTOMER LOYALTY & RETENTION EFFECTS .....	14



## INTRODUCTION

### 1 General

Grand Master View was established in 1999 and is specialized in display technologies and multimedia “Narrowcasting”. Our aim is to create solutions that maximise the acquired technologies within the marketing and advertisement industry.

We access extensive industry networks and are continuously sourcing new products to provide better and more efficient products and services within our markets to further expand our growing customer and product portfolio.

In this way we can offer outstanding marketing and advertisement equipment and services, from displays up to dynamic and interactive multimedia products, that instigate higher acquisition and customer retention rates which results in customer loyalty, higher revenues and profit margins.

The Research & Development department of the Grand Master View and specialised partners have developed a complete narrowcasting concept which is flexible, safe and with a low Total Cost of Ownership.

In this document the strategy for branding “South Africa” is discussed. Branding the name South Africa will result in associating different kinds of people worldwide with the tourist and leisure events, sites and happenings in South Africa.

Branding will be performed through the development and roll-out of content, products and services for tourism segments of South-Africa.

Narrowcasting is a new and unique way of approach to brand names by promoting different kinds of products, services in a consistent manner. Branding is the result of delivering high-quality services and products against a high level of performance, in which way the reputation of the brand name is established.

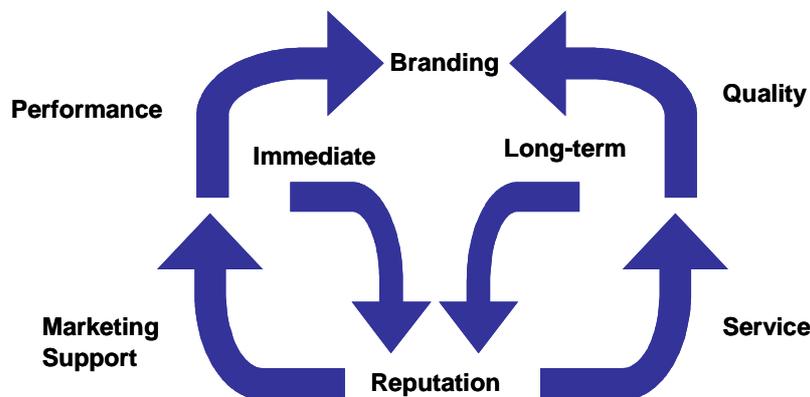


Figure 1 Branding Processes



Narrowcasting is commonly related to the special products and concepts developed by GIM, and therefore Narrowcasting, stands for more than a high-tech tool or concept.

This is why Rudy Deighton created an extra unique Concept named: The Break-away, that breaks new ground. GIM has put all products and services in this concept. GIM stands for high quality Narrowcasting and marketing concepts, products and services. We distinguish the following concepts, product and service levels:

1. Services & Products such as
  - Narrowcasting & Broadcasting Solutions
  - Hotel systems & concepts
  - Brand Concepts
  - Visual Content Solutions
  - Server Monitoring
  - Plasma & LCD Screens
  - Projection Screens & Beames
  - Security systems
  - Suspension systems
  - Home Cinema Systems
2. Multi Media Systems and Services
3. In Store Marketing and Narrow Casting Systems & Services
4. Integrated Systems (VoIP, Data, Processing) & Services
5. International Digital Portals & Communities
6. Building websites, webshops & webmalls
7. Webcasting (Tickertape) & RSS (Really Simple Syndication)
8. Database Marketing, Customer Profiling
9. Collaborative Marketing: Event Marketing & 1-to-1 Marketing based on profiles
10. Loyalty Products and Billing
11. Designing and realizing Events & Congress
12. Pos systems

## **2 Objectives and Build-up of the Business Plan**

The strategy described in this plan is especially designed to handle the project for South - Africa

The objectives of this Business Plan are:

- To set the ground for a project to brand the name “South Africa” to a unique combination of sites, events and happenings in Tourism globally
- Deliver a complete Business plan for the project South – Africa “Businessunusual”
- Deliver this Business plan on a unique and Unusual way
- Using all important points inside the Brand Architecture from the South African Tourism
- Deliver financial planning, sponsoring and concrete forecasts
- Deliver the playgrounds for distribute the project International
- Give insight into investment needs
- Etc....



### 3 Document

First the International Market is analysed for the South Africa project. We distinguish three different market sectors on which GIM will focus in the coming months till 2006:

1. The Consumer Market (Leisure)
2. The Business-to-Business Market, and
3. The Professional Market.

The location potential for the Event, in short, is defined and the perception of the GIM Organisation, both and Branding concepts and commercial department P & R are studied. Next, a competitor analysis is made and strategic business partnership potentialities are described. The SWOT Analysis will also be used for the foundation of the Business Strategy.

A further so-called Conceptual Analysis studies the Unique Product Qualities of the GIM concepts, products and services. This, together with the answers on three questions, namely:

1. What kind of strategy, marketing or Business plan is GIM using?
2. What's the unique way GIM, created together with the philosophy of Kgotla (South Africa)
3. How do we deliver our message and content to our countries, visitors, locations and coals? and the Critical Success Factors finally form the issues for the Business Strategy.  
(Narrowcasting & Instoremedia)

The GIM Business Strategy is then defined and described in five steps to success:

1. Kgotla Philosophy
2. Business Unusual Concept
3. Special Approach International
4. Digital Signage " Narrowcasting "
5. Branding South Africa
6. Digital Portals
7. Internet
8. Launch & Congress

and four areas each:

1. Know-How
2. Professionalism
3. Products & services
4. Concepts

Next, the Marketing Mix (Content, Promotion, Product, Place and People) is given and the Global Approach is described for the short, middle and long term.

The organisation structure is described generally. Next, the most important issue, is the Financial Paragraph. The Financial Paragraph explains the Financial Plan (see annex 1 beneath). In this section GIM explains how the Revenues will develop the coming three years, how much personnel is needed with what qualifications, what the costs will be to realise the revenues, what investments are necessary against which depreciation rules, what the liquidity prognosis will be from month to month, what the



profit will be the coming years (Exploitation Prognosis) which will result in three Balances. Finally, the ratios and graphs are given.

In four annexes the following is described:

1. The Financial Plan
2. The Product Data Sheet of GIM, describing in detail what the technological impact of GIM is
3. A few Example projects of the last years, giving an idea of the diversity of practical use of GIM
4. Conferences of the last years in which GIM has participated

## MARKET ANALYSIS

### 1 Market Segmentation

The tourism sector is based on visitor types. Therefore South Africa must become a Brand Name for:

1. The Consumer Market
2. The Business Market, and
3. The Professional (Niche) Market.

The Consumer Market is the Consumer Tourist and Leisure sector. People from all-over the world must automatically associate South Africa with concepts, sites and events of leisure. Of course South Africa is world famous for its Krüger Park, but all of the most important sites, products (wine), etc. should be associated with South Africa as a brand-name for tourism. The Tourism Growth Strategy is well positioned to address increase in spend and decreasing seasonality.

The Business Market in which South Africa will become a brand name is focused on Business Travel and Incentive visitors. This will put a high demand on marketing strategies to associate incentive travels with the name South Africa.

The Professional Market is the seminar and conference market: professionals will be invited to South Africa for special conferences in their professional specialization. South Africa will work to brand its name to conferences and seminars.

### 2 Market Analysis

#### *Volume*

Although **Business Travel** is not as attractive as the leisure and holiday segments from a seize perspective, when compared to the holiday segments Business Travel is **growing at a faster rate**. Example: the conference market grew at 12% per annum between 1997 and 2004

#### *Spend*

The **Incentive Market** is the **most attractive** from a spend perspective because of large amounts spent on incentive participants by companies. **Conferences** are not attractive on total spend, but at **spend per day level** they perform well. The most attractive feature of the conference market is that the **acquisition cost of a delegate is very low** compared to that of a leisure traveler, and therefore the return on investment is favourable.

#### *Length of Stay*

The length of stay out of the conference and incentive markets is **shorter than other visitor types**.



### ***Distribution***

**Incentive visitors** are the **most attractive** from the point of view of number of provinces visited. **Conference delegates** are less likely than incentive and leisure travelers to move around the country.

### ***Reduce Seasonality***

The **conference market** is very attractive from a seasonal distribution perspective, since there is an **opportunity to influence their time** of arrival by targeting conferences that are scheduled for the off-peak periods.

## **3 Geographical Potential**

South Africa as a brand must be branded worldwide. This means that, eventually, in every country the products and services of GIM and the content focussed on branding South Africa must be available.

There is a clear Targeted Return of Investment for the Business Tourism venture, with arrivals of 117,000 delegates, 400,000 bed-nights, revenues of more than R 800,000,000 and involving 3,900 jobs. The following geographies have been selected from which this ROI will be derived:

### ***Americas and UK***

1. US
2. UK

### ***Europe***

1. Germany
2. France
3. Belgium
4. Netherlands

### ***Asia***

1. Hong Kong
2. Singapore

### ***Africa***

Africa is a core Business Travel source market and will be addressed as such, and not from a Business Tourism standpoint

### ***Domestic***

As part of the National Agenda of Building a Tourism Nation, there will be a domestic campaign to get South African companies to “break-away” within their own country

Our strategy in this regard is simple: “Pick the Low-Hanging Fruit first”.

1. Target Segment #1: Corporates
  - a. South African companies doing business internationally
  - b. International companies with significant investment in South Africa
2. Target Segment #2: Associations
  - a. Global and Regional Associations with significant engagement in South Africa
  - b. Global and Regional Associations with South African senior representation
3. Target Segment #3: Incentive Houses
  - a. Incentive houses that have previously sent groups to South Africa
  - b. Incentive houses that handle highest market share of Business Tourism market globally and regionally



### 4 Branding

A good and well-known brand is a very important marketing issue. The Brand positioning is clear and consistent. The approach (how) is moving from existing ground (it's business as usual), via cross over (its unusual but fresh!) to new ground (it's business unusual).

The brand mix will be as follows:

1. Functional Benefits (reasons)
  - a. World Class
  - b. Biz SA
  - c. Discovery
  - d. Affordable Luxury
2. Emotional Benefits
  - a. Rejuvenation
  - b. Enrichment
  - c. Creativity
  - d. Reward
3. Core Values
  - a. Fusion
  - b. Can do
  - c. Authenticity

#### 4.1 Roll-Out

The Roll-Out process balances ambition with operations, capability and commercial reality.

1. Phase 1: Business Tourism Launches
  - a. US – Washington, UK – London, Europe – Belgium, Asia – Singapore
  - b. Fiscal 2005/2006
2. Phase 2: Target Audience Engagement
  - a. In all core markets
  - b. Fiscal 2006/2007
  - c. Target engagement will commence during fiscal 2005/2006 but will be adequate and appropriately resourced and commercialized in the following fiscal year
3. Phase 3: Targeted “Above-the-line” Advertising
  - a. In all core markets
  - b. Fiscal 2007/2008
  - c. Targeted above the line advertising will commence during fiscal 2006/2007 but will be adequate and appropriately resourced and commercialized in the following fiscal year



4.2 Brand Positioning Pillars

<i>Functional Pillars</i>			
<b>World Class</b> <ul style="list-style-type: none"> <li>• Infrastructure</li> <li>• Hotels/Resorts</li> <li>• Superior Facilities</li> <li>• Hosting Experience</li> <li>• Hospitality</li> <li>• Can do culture</li> <li>• Security/Safety into perspective</li> </ul>	<b>Biz SA</b> <ul style="list-style-type: none"> <li>• Indaba</li> <li>• Imbizo</li> <li>• Bosberaad</li> <li>• Lekgotla</li> <li>• Sufficient consensus</li> </ul>	<b>Discovery</b> <ul style="list-style-type: none"> <li>• Association with exploration</li> <li>• Association with new and different</li> <li>• Concentrated diversity</li> <li>• Multi-faceted people, places &amp; pleasures</li> </ul>	<b>Affordable Luxury</b> <ul style="list-style-type: none"> <li>• Fluctuating buying power varies by market</li> <li>• Defined as Quality of Experience x Price</li> </ul>

<i>Emotional Pillars</i>			
<b>Rejuvenation</b> <ul style="list-style-type: none"> <li>• Rhythm &amp; Beat</li> <li>• Beach &amp; Blue Skies</li> <li>• Feeling fully alive</li> <li>• Renewing regenerating regrouping</li> <li>• An “everything is possible” feeling</li> </ul>	<b>Enrichment</b> <ul style="list-style-type: none"> <li>• New perspectives</li> <li>• Expands the senses</li> <li>• Comfort zone expansion (on your terms)</li> <li>• Sparks creativity</li> <li>• See meetings in a new light</li> </ul>	<b>Creativity</b> <ul style="list-style-type: none"> <li>• Breakthroughs</li> <li>• Eureka's</li> <li>• Ideas</li> <li>• Imagination</li> <li>• No limits</li> </ul>	<b>Reward</b> <ul style="list-style-type: none"> <li>• Beyond expectations</li> <li>• Physically, mentally and emotionally rewarding</li> <li>• The incentive element in all business tourism</li> </ul>

4.3 Marketing Levers

<i>Phase</i>	<b>Recruitment</b>		<b>Experience Delivery</b>		<b>Leveraging</b>
<i>Audience</i>	The Target		The Guest		The Ambassador
<i>Value</i>	Create Demand	Fulfill Demand	Travel In	Visitor Experience	Travel Out
<i>Chain</i>					“Ambassador”
<i>Strategy</i>	Sources of Volume	Delivery Mechanics	Sources of Differentiation		Relationship Leverage
<i>Focus</i>	<b><u>Focus on chosen segments</u></b>	<b><u>Build “business closure” capabilities</u></b>	<b><u>Build Internal Equity as a destination</u></b>		<b><u>Build &amp; Leverage Relationships</u></b>
	1. Corporations	4. Internal SAT	7. Concepts from our Culture		10. Face-to-face
	2. Associations	5. Internal SA	8. Concepts from our Past		11. Electronic CRM
	3. Incentive Houses	6. External outside SA	9. Focus the Business Facilitation Industry to support Business Tourism		
	<b>Fundamentals that underpin all Marketing Efforts</b>				
	12. Message Management	14. Brand Consistency	16. Performance Management		
	13. Forward Planning	15. Relationship Asset Development	17. Capability Development		



### CONCEPTUAL ANALYSIS

#### 1 Introduction

The Conceptual Analysis studies the Business Case given the results of the Market Analysis and the Offering of products and services of GIM. From this, the best mix of products at the best moment and the best place, can be offered.

Considering the marketing levers, we distinguish the following Marketing Issues:

1. Phases in the Mind Set of Customers/Audience  
*from Target to Ambassador*
2. Changes in the Value Chain  
*from Demand Creation to Ambassador Result*
3. Strategy Focus change  
*from Sources of Volume to Relationship Leverage*
4. Fundamentals that underpin all Marketing Efforts:
  - a. Message Management
  - b. Forward Planning
  - c. Brand Consistency
  - d. Relationship Asset Development
  - e. Performance Management, and
  - f. Capability Development.

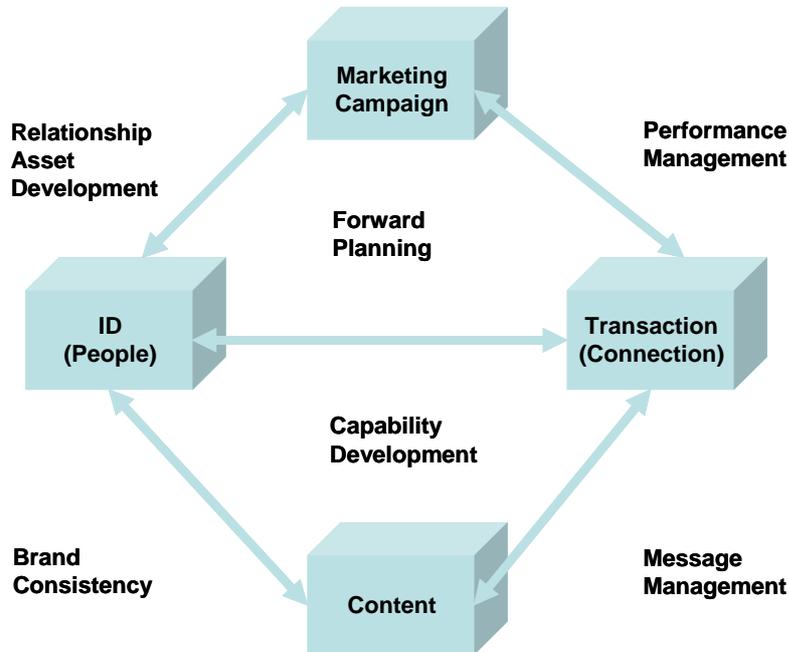
Within automated marketing offerings in which channels like internet, media like community portals, web malls, narrow casting screens, Internet telephoning (IP telephony or VOIP), webcasting, etc. together with relevant content and marketing actions are used to leverage the relationship with suspects, prospects and customers into ambassadors of South Africa as a Brand in the Tourism sector, we distinguish four relevant issues:

1. Marketing Campaigns  
Marketing Campaigns are set up to interest people with the Brand
2. People  
People are the customers and thus objectives of the marketing campaigns; within automated marketing offerings people should be identified and the identification should be authenticated
3. Connections  
People must be interested into doing business; this results in connections of people with content; within automated marketing offerings these connections are registered as transactions
4. Content  
The content of the marketing actions: not only information via webcasting and narrow casting, but all relevant information for connections.

These relevant issues will have to be met in the automated offering. In other words, Marketing Campaigns must be manageable. People within the offering must be identifiable with a high level of accuracy that the people we are dealing with are really the people (authentication). Content must be used to persuade people into leveraging the value chain. And, finally, transactions must be used to give feedback to management processes.



Considering these marketing levers and the six fundamentals that underpin all Marketing efforts, the relationship can be drawn as follows:



**Figure 2 Relationship of Automated Marketing Fundamentals**

This means that the GIM offering must meet with these processes via the four relevant issues and be manageable.

## 2 UPQs

The Unique Product Qualities of GIM are:

### Products & Services

- GIM delivers a unique concept an special designed Business plan and a unique set of superior products and services that can be used to retrieve higher retention rates and better branding results against lower costs
- The products and services can be combined into new marketing approaches like
  - Instore Marketing and Narrow Casting
  - Branding
  - Promotion
  - Commercials & Advertising
  - Web Portals, Internet Sites & Communities, Web Malls and Web Shops
  - Webcasting (tickertape), RSS (Really Simple Syndication)
  - Database Marketing (Profiling, RFM Analysis, Loyalty Management, etc.)
  - CRM
  - Integrated systems with products like
    - Cobranded Credit Cards
    - Customer Loyalty Cards and Programmes
    - Voice Over IP
    - Video-on-demand



- Etc.
- Interactive Casting with products like
  - Automated Customer Profiling
  - Profile Based Geographical Marketing
  - Interactive facilities
  - One-to-One Marketing
  - Event Marketing
  - Etc.

to deliver the highest competitive advantage to their customers

### **Quality**

- GIM's own concepts, products and services have the highest quality focus
- GIM selects Business Partners not only based on their highly sophisticated business offerings but also on their quality of service after the agreements
- GIM selects the best third party products like content/commercial partners, hardware like Plasma TV, Computers, etc... and combines them with its own products and services
- Extensive testing is performed before rolling products and services out on the market

### **Smooth Operations**

- GIM has its own NOC-Network Operations Center for Narrowcasting content, security, server control and certify the best possible operations all controlled in one hand( also a NOC in SA)
- GIM has Business Partners like advertise and sponsoring deliver partners, International connections, enormous Business/Embassy/Travel Database with addresses Worldwide and with extensive operational data hotels for co-location and outsourcing

### **Profit Potential**

The products and services deliver:

- The most sophisticated marketing offerings possible in which way branding processes can be highly automated
- The highest retention rates
- The most loyal customers/ambassadors
- Revenues on casted content (third party advertising) resulting in a higher sales and revenue volumes delivering better profit margins resulting in higher profit

## **3 Why these Products and Services?**

GIM distinguishes two markets: the Business market, professional Government and Travel market. The professional market will use all products and services.

The professional products and services – hence GIM – are used to create higher sales volumes for GIM projects International. Research has shown that up to 75 percent of the buy/advice-decisions are taken in store. This means that most of the expenses in marketing, advertisement and sales should be put into activities inside shops or sales floors. This, however, is not the case.

Most of the advertisement budget of larger companies worldwide goes to TV and Radio advertisements. The effect on sales are, however, low. ( 20% results)



This is why more and more larger companies are now experimenting and using new products and services on level 3 (In Store Marketing and Narrow Casting). In shops around Western countries more and more screens are shown that display product information and try to catch the attention of customers for new products. The first steps to more sophisticated integration of multi/media products and content are made. Fun and Fact information, is combined to persuade customers to buy products in shops. To drop the costs many projects use general advertisements – of third parties – to raise funds for the high investments<sup>1</sup>. Although research shows that sales rates grow with more than 5 to 10 percent, the display of content, however is not enough to significantly change the buying attitude of customers. The customer should be addressed more directly on his or her needs or interests at the moment that the customer is in the shop.

Therefore new systems are used to direct customers to more interesting products in shops. Sensors and actuators – sensing people in the neighbourhood of product groups – are used to detect the presence of people and their attention for certain products is directed through audio and video to more profitable products, to raise more revenues and profit.

In areas where people stay for a longer period, like hotels, the integration of multi-media, telecommunication and data communication are used to raise the level of direct marketing. Level 4 (Voice Over Internet Protocol or VOIP, Video-on-demand, paying systems and ordering systems) are integrated with the earlier mentioned products and services. For these specialised areas this integration seems to keep customers in the areas and thus raise revenues.

The next step is not to raise sales alone, but to get a higher rate of retention sales. The costs of marketing and sales for new customers is significantly higher, than the costs of renewed sales with existing customers. The volume of sales of returning customers is also higher than that of one-time customers. This makes the effort into retention sales far more profitable than one-time sales with new customers.

For retention for example special content Information, or sales it is necessary to know the customer. Customer identification and authentication is possible with payment cards (debit and credit cards), customer cards (smart cards, magnetic stripe cards, barcode cards), mobile phone, RFID (radio-frequency Identification), Internet authentication, etc. With customer identification it is possible to connect the customer data with the sales transaction data. In this way it is possible to build up customer profiles, describing the customers interests. So it is possible to guide the customer exactly in the right direction or sphere we want.

Knowing the customer's interests is necessary to raise the level of retention. One-to-one marketing – direct sales based on the interest of the customer – and event marketing – offering products and services based on events in the life of the customer<sup>2</sup> - become possible.

---

<sup>1</sup> Tesco UK already makes profit on its narrow casting projects of more than £ 11,000,000 a year.

<sup>2</sup> For Example, when a customer's spouse will have a birthday in the coming week, an offer to the customer for a new present, based on the preferences of the spouse

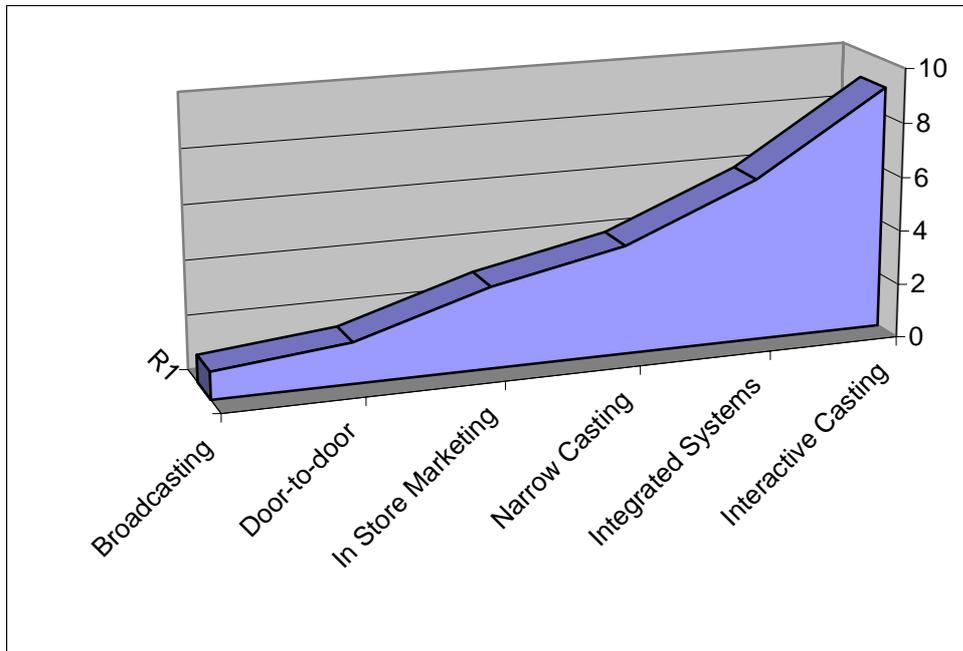


Figure 3 Relative Customer Loyalty & Retention Effects

With the knowledge of the preferences and interests of the customer, the content in all kinds of locations like, Embassy, travel agency, government building, shops and (virtual) marketplaces can be individualised. One-to-One Marketing, Event Marketing and Narrow Casting will eventually merge together into One-to-One Casting. This will have a highly positive effect on sales and of profit. The combination with third party advertisements can result in significantly higher sales of up to 20 to 40 percent and profit of more than 30 percent. Combined with loyalty programmes, sales and profits can be raised to an even higher level.

Besides the effect on sales and profits, there is an extra effect: revenues through third party advertisements. With Narrow Casting, Integrated Systems and Interactive Casting extra revenues can be gained through casting third party advertisements on the displays. It is estimated that the costs for the GIM, concepts, products and services can fully be covered by the third party advertisement revenues, thus delivering extra customer loyalty and, with that, higher sales rates and higher profit for ... nothing.

#### 4 Why Global Interface Multimedia ?

GIM has special concepts, products and services on all levels of the product range, with, on every level significant distinguishing products of higher quality and services which result in higher sales, profits and customer retention for GIM customers. GIM offers, besides the Businessunusual concept, businessplans, products and services, turn-key solutions, lease concepts, loyalty programmes, narrow and broadcasting systems, sponsoring solutions, advertising solutions and content delivery provisions.



In this document the Unique Product Qualifications (see § 2 **UPQs** on page 11) are described.

The concepts, products and services show an evolutionary growth in products and services delivering higher customer loyalty rates. The casting of content is a new marketing tool known as Instore Marketing.

But these products and services are still statically marketing actions and approaches customers as viewers. Integrated Systems combine several customer loyalty tools to get higher retention rates. Finally, the interactive approach delivers a dynamic “world of experience” to customers in that they are directly addressed in the market place with products or services they are interested in.

With the GIM products and services branding becomes more and more an “art of experience”. The added value of the before mentioned products and services thus not only delivers higher sales volumes with loyal customers and higher retention rate, but the added value of each level plays a significant role in the distinction between one brand and the other.

### **5 How do we deliver value to our customers in the South – Africa project?**

#### **6 Critical Success Factors**

Based on the above SWOT analysis on page 9 and the UPQs on page 11 the CSFs (Critical Success Factors) can be defined.

- The market that is easiest to penetrate is @@@

## GIM STRATEGY FOR SOUTH AFRICA

### **1 Vision**

To ensure that by 2010, South Africa is a global Brand for Tourism.

### **2 Mission**

To move South Africa into the Top 20 of the ICCA Global List “Preferred Destinations” by 2008.

### **3 Approach**

*The following approach is suggested to deliver optimal results by 2010 when South Africa will have the worlds most appreciated global sports event: the soccer World Cup. This does not mean that between programme start and 2010, the branding will have no results. On the contrary: the approach is an ever-growing build-up of the brand name South Africa resulting in amazement of people worldwide.*

The approach is an updated version of the roll-out process given in § 4.1 **Roll-Out** on page 8.

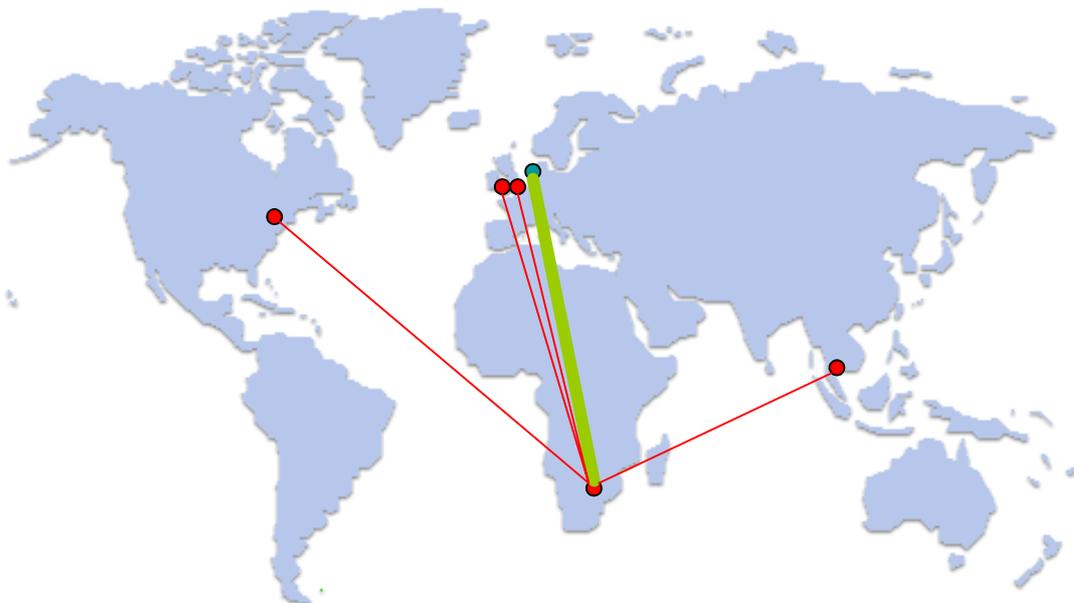
Not every product and service can be offered at the start of the project. Moreover, not every product and service that GIM offers has to used to result in the branding of South Africa. GIM distinguishes five steps in the offering:



1. Presence,  
the offering is first tested 'live' in several cities and feedback of people is used to adjust offerings and pace
2. Acceptance,  
the global roll-out with new offerings
3. Appreciation,  
more countries will be involved, more products and services added
4. Applause,  
people worldwide get enthused by the offering
5. Astonishment,  
this is really great: South Africa IS tourism.

GIM distinguishes the following offerings divided into 4 areas (focus, geographical area, products & services and result):

1. **Presence**
  - a. The **focus** is on getting a presence in **2006** at selected locations and via the internet.
  - b. The **geographical area** is the US (Washington), the UK (London), Belgium, Singapore
  - c. **Products and Services** delivered are<sup>3</sup>:
    - i. CRM and Marketing Tools
    - ii. Narrow Casting Screens at location
    - iii. South African (Internet) Community
    - iv. Tourism Portal with related product offerings in a Web Mall
    - v. Introduction of a simple bonus system
  - d. The **result** is a high-potential foothold (**presence**) at selected sites and internet



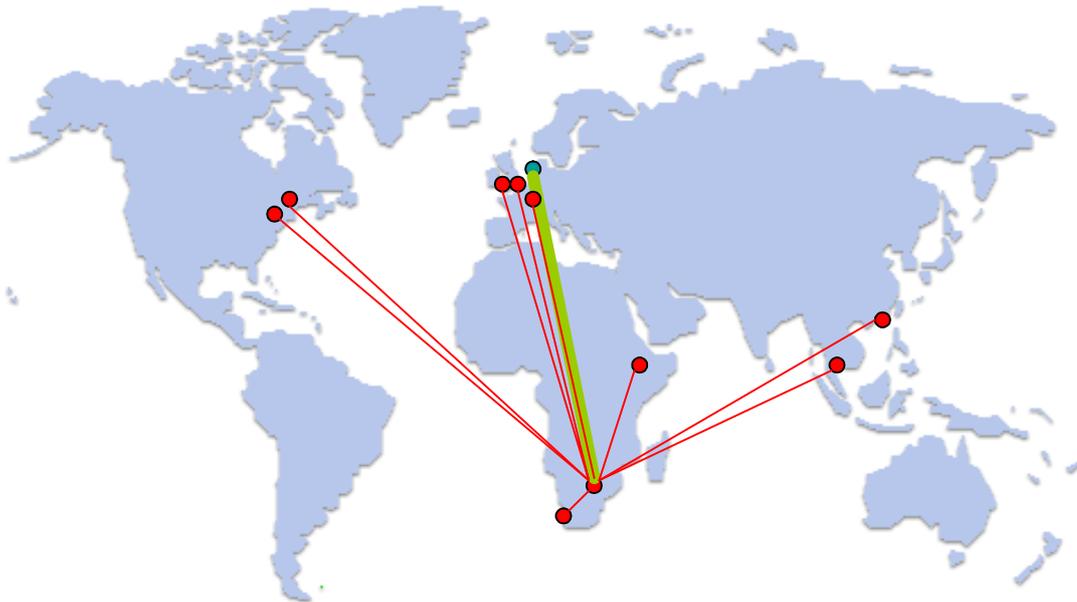
- a. After the initial entry the **focus** is to penetrate the domestic market in **2007** and develop other narrowcasting sites as strongholds for branding

<sup>3</sup> This is a suggestion to be discussed and agreed upon. Not all suggested products and services are necessary to be used in branding South Africa. Also, re-use and co-development of internet sites, etc., is suggested.



## Business Plan South - Africa

- b. The **geographical area** is US, Western Europe, South Africa, Hong Kong (as a stronghold to China which will have the Olympic Games in 2008) and Africa, especially the domestic market
- c. **Products and Services** delivered are:
  - i. SatMNet Cobranded Credit Card, as a means to deliver a loyalty programme and monitor marketing campaigns
  - ii. Internet Events, Narrow Casting and webcasting promoting:
    1. Concepts from our culture
    2. Concepts from our past
    3. Spiritual Foundations of the African Tribes
  - iii. Webcasting (tickertape) as a means for community building and revenue generator
  - iv. "Recognition": narrow casting welcoming identified community members on site and dynamic websites
3. The result is **acceptance** and laying the foundation of South Africa as a Tourism Brand Name.

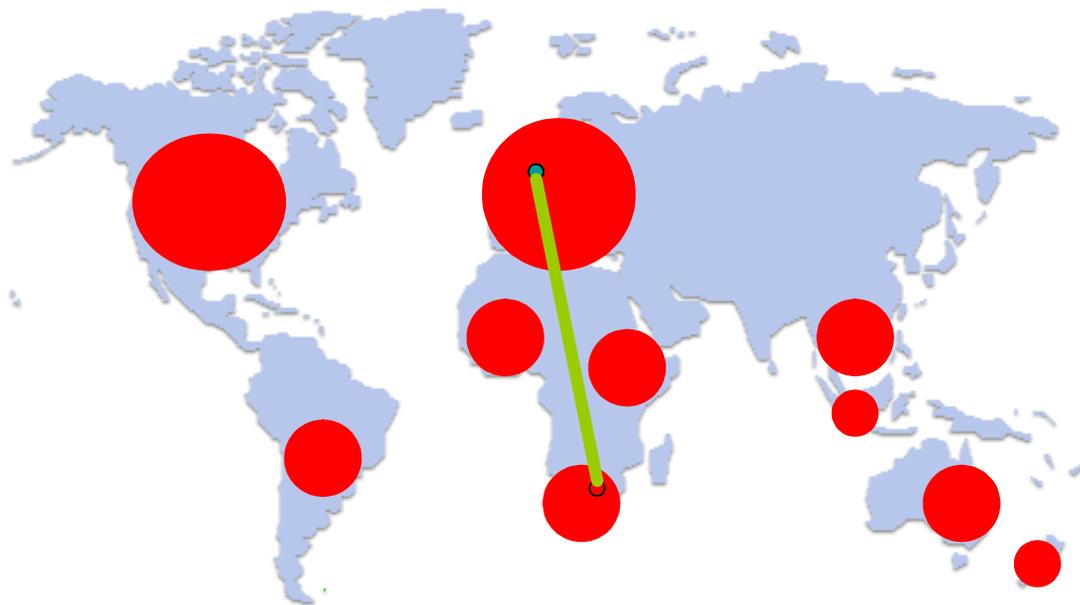


### Appreciation

- a. The **focus in 2008** is the further development of the Brand Name, introduction of new marketing issues and further global roll-out, especially by community build via internet, growth of Narrow Casting locations and specialized Marketing Campaigns
- b. The **geographical area** is the world developing the existing coverage in the US, Europe, South East Asia and Domestic and developing new coverage in South America, Africa and Australia/New Zealand
- c. **Products and Services** delivered are:
  - i. Introduction of the SA Loyalty Programme with several products
  - ii. Integrating South African tourism sector in the loyalty offering
  - iii. Games dedicated to brand South Africa and Tourism
  - iv. 3D webmalls
  - v. Further development of the South African Experience

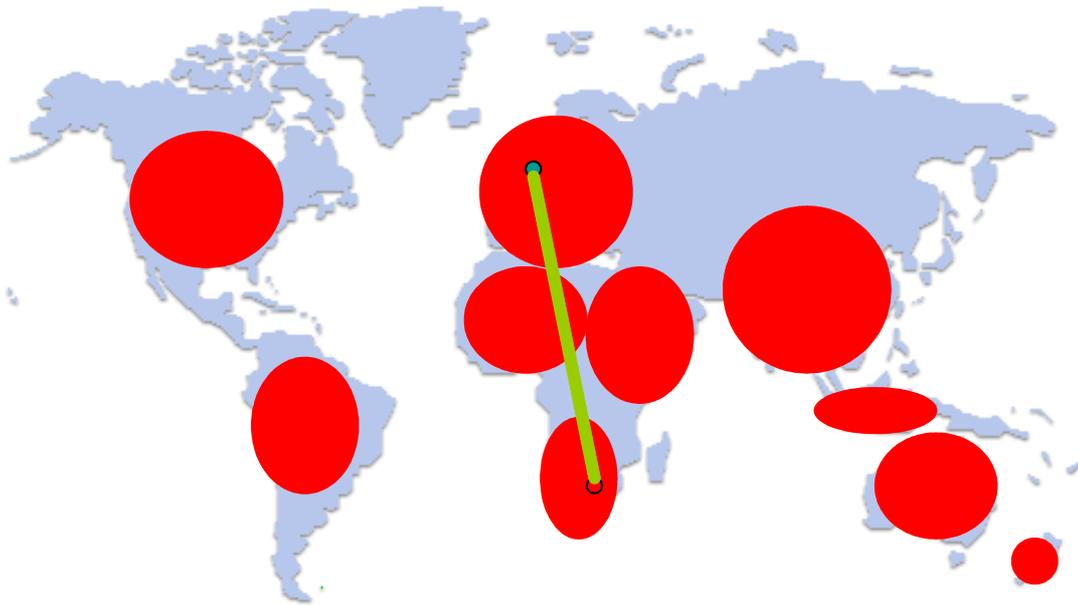


- vi. Marketing actions like delivery of free SIM cards at International Airports for members based on bonus balance, etc.
- d. The result is **appreciation** for delivering high-result offerings. By now South Africa is globally associated with tourism in every sector and at all levels



#### 4. Applause

- a. The **focus** in **2009** is the introduction of new marketing tools and roll-out geographically. The soccer World Cup is prepared marketing-wise.
- b. The **geographical** expansion is extended.
- c. **Products** and **Services** are introduced to develop the South African Experience
  - i. 1-to-1 Marketing and Event Marketing based on membership profiling
  - ii. RFM Analysis and database analysis
  - iii. Lifecycle Marketing (from recruit to ambassador) with follow-up marketing campaigns and actions to raise the retention rates
  - iv. Interactive Casting through fast recognition and dynamic content offerings
- d. The **result** of this integrated approach is called: **Applause** for this globally accepted and associated new Brand South Africa and of course high expectancy for the coming event: *what will South Africa present during the World Cup?*



### 5. Astonishment

- a. The **focus** in the year **2010** is the World Cup. South Africa is accepted as a Tourism Brand worldwide
- b. The **geographical** focus is **global**. More and more narrow casting sites are introduced.
- c. **Products and Services** in this year are totally focused towards making the World Cup an unforgettable event:
  - i. Introduction of the Soccer World Cup Card with special SWC products and services
  - ii. Webshops and webmalls deliver SWC products with extensive reduction rates for SWC Card owners
  - iii. Interactive Narrow Casting in all SWC locations and sites
  - iv. VIP Access for high-bonus collectors
  - v. Introduction of SWC community products like peer-to-peer communication with South African Tourism and SWC feel
- d. The result. of course: **astonishment**.





## FINANCIAL PARAGRAPH

### 1 Introduction

In this Programme Plan no secure amount of the costs and revenues can be given. Costs and revenues are highly dependent of the products and services used, the number of members in a community, the number of participants in services (merchants, delivery companies, ASP and data hotel organisations, etc.). Therefore only for the first step building **presence** indications can be given.

### 2 Investment & Development Planning

GIM suggests that on a yearly base the following must be agreed upon:

1. The services and products that will be introduced in the next year
2. The revenues from webvertising, narrow casting advertising, third party services
3. The revenues from credit card transactions (percentage of transaction volume) and loyalty transactions
4. The costs of products: initial, per transaction, and maintenance
5. The costs of services: initial, per transaction and fixed costs
6. Investments in hardware, software and netware.

Costs must be distinguished between the South African Tourism Department, GIM organisation, and third parties.

Based on these figures a year plan can be derived and managed. From the financial data, decisions can be made to postpone or hasten the introduction of new products and services.

In the following paragraphs the costs and investments of the first step, building presence, are given together with the revenues that are possible from advertising.

### 3 Building Presence: Costs & Revenues

*The major investments are:*

1. *The Business plan & Concepts*
  - a. *Locations / Area's*
  - b. *Promotion & marketing*
  - c. *Sales en PR*
2. *Hard & Software, tools*
3. *Internet & Portals*
4. *Communication & Commercial*
5. *Content & Information*
6. *Congress & Infotakes*

- *For the basic Business plan & Concepts will be retrieved in the first phase of the this project Totalling around €000,000.*
- *The Promotion & Marketing and PR is estimated at €000,000*
- *Internet, NOC & Portals applications and handling costs are retrieved around €000,000*
- *Hard & Software, implantation Plane tickets, hotel costs and other Narrowcasting tools are retrieved around €000,000 for each location*
- *Total Office costs, personal, Communication & Commercial handlings will be worked out Parallel, which will cost around €000,000*
- *Other concepts or events will cost around €000,000*