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International Marketing Council of South Africa

STRATEGIC PLAN 2010 - 2013

1 APRIL 2010 – 31 MARCH 2013

Approved by the IMC Board on 25 February 2009

For tabling to the Portfolio Committee on Communication

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INTRODUCTION

This plan is submitted in compliance with section 53 of the Public Finance Management Act. (PFMA) 1999 as amended and section 5 of the Treasury Regulations (2005)
The plan is developed in the context of The IMC's mandate, as revised in 2009, as well as the national imperatives of South Africa, including the Medium Term Strategic Framework
It is a 3-year rolling plan, and builds on the strategies and activities of previous cycles which overlap into this cycle.
The projects and activities fit within the budget allocations provided through the MTEF process

Note: **Projects are describe at a highlevel in this document. The detailed activities to achieve each strategy/project are contained in the business plan and operational pla**

Development of the Plan

The first draft of the 2010-13 strategic plan was prepared in April/May 2009 following a planning workshop involving IMC, GCIS, DTI, DFA (now DIRCO) and SA Tourism. The plan was reviewed by GCIS and the IMC Board in May 2009.
The plan was used as the basis for the 2010-13 MTEF submission to National Treasury in July 2009.
Following the final allocations received from Treasury in November 2009 (there were slight budget reductions), the plan was updated during December 2009 and January 2010 and approved by the IMC Board on 25 February 2010.
It shall be tabled at the Parlimentary Portfolio Committtee in March 2010, before being finally submitted to the Executive Authority by 1 April 2010.

Amendments to the Plan

The major amendments to the strategic plan from 2009-12 version, include the following:
1. The addition of an extra objective around Business Sustainability
2. The addition of 3 new performance measures around stakeholder satisfaction, corporate reputation, and business sustainability
3. The additional of a new strategy around prudent financial management and control

Budget Allocations

It is to be noted that the annual budget reduces by 21% from 2010/11 to 2011/12, due to additional allocations received in 2010/11 for the FIFA World Cup.
From 2011/12 to 2012/12 the annual budget increase is 6%, which is again in line with normal inflationary increases.

End.

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ENVIRONMENTAL ANALYSIS I

South Africa's Opportunties and Threats

Date	International	Regional (Africa)	National
Opportu-	Gradual Economic Recovery - led by emerging economies	Gradual Economic Recovery	Gradual Economic Recovery
nities	New growth areas - importance of developing countries / South-South - new growth axis	SA corporate expansion / SA Gateway	2010 World Cup - event; legacy; leverage
	SA recognised as global player - G20	Regional integration - policy, infrastructure	Increased tourism, trade, investment
	BASIC countries - concept links America and emerging economies	2010 World Cup - an African event	Development of Vision 2025 for South Africa
	Africa - the next global opportunity	DIRCO priorities include Africa	Medium Term Strategic F/work - SA priorities
	Identifying the next emerging markets - Next11, CIDTS	Importance of SADC/Angola/DRC - econ. devt	
	Triple Bottom line recognition globally	Zimbabwe recovery?	National health insurance?
	Africa as potential centre of food production	Emergence of Brand Africa	Decreasing telecoms costs
		Telecoms - accelerator	Accessible, affordable broadband
		Sustainable power/electricity potential in DRC	
		Africa as potential centre of food production	
		COMESA Opportunities	
Threats	Climate Change	Conflict / Corruption	Low level of education/skills - JIPSA ineffectual
	Copenhagen climate talks not huge success	HIV	New administration - honeymoon over
	Millennium goals not being achieved	Deterioration in Zimbabwe?	- Possible civil unrest; - Service Delivery Protests (pre-March 2011)
	Continued growth of conflict zones	Nigeria change of President - instability?	
		Education standards, lwo skills base	National health insurance?
		Digital divide	Crime / Corruption
		Rogue states reinforcing sterotypes	Xenohobia / Vigilantism
			World Cup not delivered as promised
			Electricity - supply; cost; sustainability
			Independence of judiciary threatened?

ENVIRONMENTAL ANALYSIS II

South Africa's Strengths and Weaknesses

STRENGTHS	WEAKNESSES
Strong political reputation: Globally recognised Constitution; independent judiciary (some recent concerns); independent and commercially viable media; active civil society; vibrant democracy; human rights.	Political: Lack of inspiring Vision for the country (although steps in place); corruption (e.g. tenders); unclarity re ecomonmic policy devt
Good diplomatic relations; member of important global forums/groups, e.g. G20, BASIC; increasingly strong links with the East and South-South; established links with developed world	Global understanding of SA dynamics is low; Afropessimism
Strong private sector: dynamic and independent private sector; number of world-class global corporations; world-class export products, medical and health facilities, creative service industries, banking and financial services; effective stock and bond markets; efficency of corporate boards; strong performance culture	Public sector: Many acting CEO's in SOEs; deteriorating infrastructure (energy, road, rail); power supply; non-competitive telecoms sector and high cost of internet connectivity
Strong macro-economic environment: stable economy for past decade; reasonably large domestic economy; regional economic powerhouse; economic diversification beyond commodities; sound fiscal policy - protected SA in the recession	Economic: growth lagging developing world powerhouses (e.g. BRIC); low savings; FDI too low; inflation above range; high unemployment
Sound business environment and regulation: effective competition policy; intellectual property protection; open trading environment; relatively cheap electricity (although increasing); protection of property rights; relatively low non-wages costs for employers; reasonable freight transport infrastructure network (though needs improvement)	Socio-economic: persistent poverty; high crime; perception of govt's inability to crack down on crime and corruption; underperforming state healthcare and education systems; HIV/AIDS; poor service delivery in some areas; delay in land reform and restitution processes
Solid tourism fundamentals: continued growth of tourism and related employment creation; natural resources, beauty, eco- and adventure tourism; rich fauna and flora; well priced by global standards hotel and tourism infrastructure; tourism regulatory regime does not discourage growth; rich culture and history for cultural tourism; effective destination marketing of SA	Education/Skills: Skills shortage; low "proclivity to attact talent" (Global Talent Index); low tertiray educ enrollment; low maths and science results at primary level; inhibitive immigration laws; low adult literacy; ltd success of ASGISA
Positive effect of Nelson Mandela as global icon	Business Environment: inflexible labour market; high labour costs; low service culture; insufficient focus on manufacturing;
Relatively influential SA diaspora acorss the world ("Global South Africans")	Negativity amonsgt some of the SA diaspora
World class universities and business schools.	Inconsistent sporting performance - e.g. Soccer
Global Sporting performance in some sports - rugby, cricket, swimming, golf, para-olympics	

ENVIRONMENTAL ANALYSIS III

Major Events and Activities

Date	International	Regional (Africa)	National
2010	Anholt Nation Brand rankings released (Mar)	WEF Africa - Dar es Salaam (May)	31 May - 100 years since SA Union
	Shanghai Expo (May-Oct)	World Cup Qualifier Country Tours with Dirco	Global Forum / Africa Dialogue
	WEF GCI rankings released (Jul/Aug)	SA-<Country> Bilaterals	FIFA World Cup (Jun/Jul)
	Common Wealth Games India (Oct)		World Journalism Educators Conference (Jul)
	Next phase of Climate Change Talks Mexico		Highway Africa Journalists Conference
			T20 (Tourism) Conference
			Relaunch of Nation Brand Positioning (?Sep)
2011	WEF Davos	Wef Africa - Cape Town	Launch of Vision 2025
	Economist Emerging Market Summit	SA-<Country> Bilaterals	Local Government Elections (March)
	Global Forum		Global Environmental Summit in SA
2012	WED Davos	WEF Africa - other African country	ANC Pre-Election Conference
	Olympic Games (UK)	SA-<Country> Bilaterals	Extra electricity capacity becomes available (Eskom build programme)
	Awarding of Square Kilometre Array (SKA) to Australia or South Africa		
2013	WEF Davos	Wef Africa - Cape Town	?Durban bid for 2020 Olympics
		SA-<Country> Bilaterals	
2014	FIFA World Cup (Brazil)	WEF Africa - other African country	20-years of Democracy in SA
	WEF Davos	SA-<Country> Bilaterals	National Elections in SA

OVERVIEW OF IMC 3-YEAR STRATEGY 2010/11 - 2012/13

Operating Context:
GDP Growth, Job Creation, Social Cohesion, MTSF, National Vision for SA (Vision 2025)

IMC's
MANDATE ...

(the Why)

To build South Africa's Nation Brand reputation in order to improve SA's global competitiveness

. . . through 4 key
OBJECTIVES . . .

(the What)

Vision: SA to be acknowledged as a **Top 20 Nation Brand** (Anholt) and a **Top 30** nation in the **Global Competitive Index** (WEF)* by 2020

1. **To achieve annual <u>Reputation Index Rating</u> targets within target mkts**
2. **To achieve annual <u>Nation-Brand</u> and <u>Competitiveness Ranking</u> targets**
3. **To be <u>a cutting edge organisation</u> of excellence and expertise**
4. **To ensure <u>Business Sustainability</u>**

. . . by focusing on doing the following 6 "Big Things" **(STRATEGIES)** very well

(the How)

1. **Brand Strategy Development and Management**
2. **Reputation Management**
3. **Brand Intelligence and Performance Management**
4. **Stakeholder and Partner Alignment and Integration**
5. **Organisational Development**
6. **Prudent Financial Management and Control**

** The IMC does not control the intrinsics that determine SA's WEF ranking, but it <u>contributes</u> to SA's ranking through reputation management*

IMC PERFORMANCE TARGETS

OBJECTIVE	HISTORY (TARGET)			TARGET			GOAL
	2007/8	2008/9	2009/10	2010/11	2011/12	2012/13	2020
Obj. 1: ANNUAL REPUTATION INDEX RATING *Measure: Media Tenor Reputation Index* [2]	49,61	44,76	xx (50)	**55**	**57**	**59**	**65**
Obj. 2: ANNUAL NATION-BRAND RANKINGS *Measure 1: Anholt Nation Brand Index*	32 out of 40	37 out of 50	35 (35) out of 50	**30**	**28**	**26**	**< 20**
Obj. 2: ANNUAL COMPETITIVENESS RANKINGS *Measure 2: WEF Global Competitiveness Index*	44 out of 131	45 out of 134	45 (44) out of 133	**42**	**41**	**40**	**< 30**
Obj. 3: STAKEHOLDER-DRIVEN ORGANISATION *Measure: some form of Stakeholder Satisfaction Survey* *(researching best option for this - will add in once available)*	n/a	n/a	n/a	**TBC**	**TBC**	**TBC**	**TBC**
Obj. 3: CUTTING EDGE ORGANISATION *Measure: ?GFK-Roper / Anholt Reputation Survey* *?Internal Climate Survey* *(researching best option for this - will add in once available)*	n/a n/a	n/a n/a	n/a n/a	**TBC** **TBC**	**TBC** **TBC**	**TBC** **TBC**	**TBC** **TBC**
Obj. 4: BUSINESS SUSTAINABILITY *Measure: Sustainability Index / Triple Bottom Line* *(researching best option for this - will add in once available)*	n/a	n/a	n/a	**TBC**	**TBC**	**TBC**	**TBC**

Note: Please see the Appendix for detailed explanation of each of these performance measures.

INTERNATIONAL MARKETING COUNCIL OF SOUTH AFRICA
Strategic Plan 2010/11 - 2012/13

The definition of target markets is a work in progress that requires further and ongoing collaboration with key stakeholders. We are aiming for a segmentation model (to be developed in 2010/11) which will assist in bringing together a view of the world that will inform resource allocations and messaging in different markets. Detailed segmentation will allow markets to be differentiated into various categories, such as Watch; Pioneer; Growth/Invest; Maintain/Defend.

The categorisation is driven by imperatives such as investment, exports, tourism, diplomacy, etc. Certain markets also become relevant for fixed periods of time, such as football nations around the time of the World Cup.

From inputs given by the IMC key stakeholders, the core target markets for South Africa are the following:

COUNTRIES IMPORTANT FOR SOUTH AFRICA

2010 FIFA World Cup Specific (and those in which 2010 FIFA Roadshows are taking place):

o Asia:	Australia, New Zealand
o Europe:	Italy, Portugal, Spain, France, Germany, Netherlands, Switzerland, England
o Middle East:	-
o Americas:	Brazil, Argentina, Paraguay, Mexico. USA
o Africa:	Cote D'voire, Algeria, Ghana, Cameroon, Nigeria, SADC countries

Key Stakeholder's Markets	**Trade & Investment**	**Tourism**	**Diplomacy**
o Asia:	China, India, Japan, South Korea	China, Australia	China, India
o Europe:	Russia, Spain, EU	UK, Germany, France, Italy, Switzerland, Holland, Scandinavia	EU
o Middle East:	UAE, Saudi Arabia, Kuwait	-	UAE/Gulf
o Americas:	Brazil; Argentina, Chile, USA	US (Canada)	South - South
o Africa:	Egypt, Nigeria, Kenya, DRC, Tanzania, Zambia, Angola	Nigeria, Kenya, Angola, Tanzania	Pan-African focus

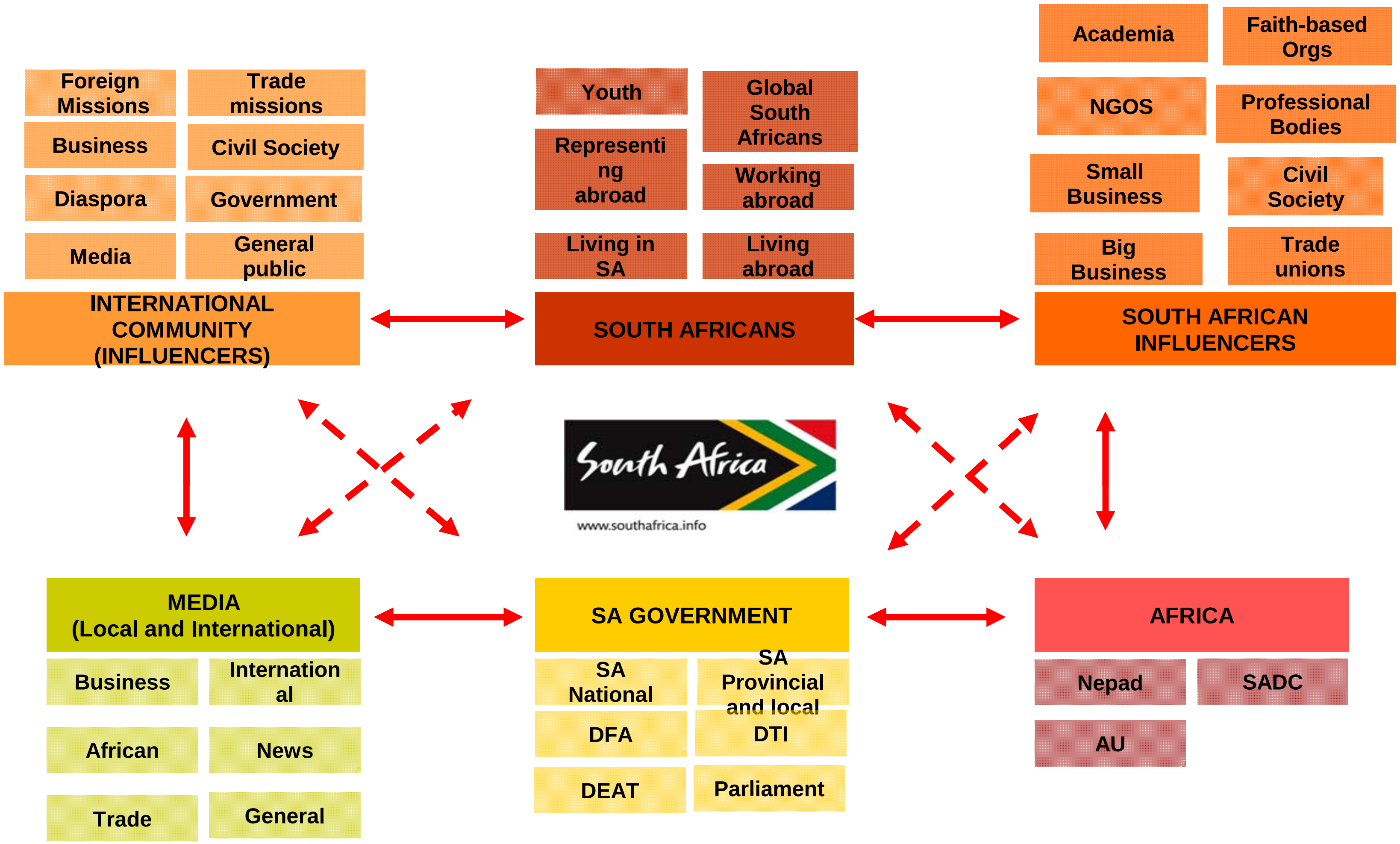
IMC Specific Target Markets (preliminary segementation)
Countries in which the IMC will activate directly and/or with and through stakeholders

It is planned to develop a detailed segmentation model in 2010, working with stakeholders, to assist with further refining key markets
An allocation for this is contained in the 2010/11 budget

	Watch	Pioneer	Grow/Invest	Maintain/Defend
o Asia:	South Korea		China, India	Japan
o Europe:		Russia		UK, Germany, France
o Middle East:	UAE			
o Americas:	Argentina		Brazil	USA
o Africa:	DRC	Angola	Nigeria; Egypt; SADC	

BRAND SOUTH AFRICA TARGET AUDIENCES

Whose perceptions need to be influenced?



INTERNATIONAL MARKETING COUNCIL OF SOUTH AFRICA
Strategic Plan 2010/11 - 2012/13

PRIORITIES FOR 2010/11 - 2012/13

		2010/11	2011/12	2012/13
1	**LIVING THE BRAND / MOBILISATION (in conjunction with stakeholders)**			
1.1	2010 FIFA World Cup: Mobilisation Domestic: Fly the Flag, Football Fridays, Moments of Truth Selected Countries: Media Engagement, Football Fridays, Fly the Flag			
1.2	Post 2010: Focus on Social Cohesion, South Africanness - Integrate with new brand positioning and Vision 2025 - IMC to assist with communicating Vision 2025 domestically			
2	**BRAND DEVELOPMENT (New Brand Positioning)**			
2.1	Conceptualisation: Align Brand with Vision 2025; revisit Brand Key, etc			
2.2	Consultation with stakeholders			
2.3	Testing of territories			
2.4	Roll Out/Launch: Through stakeholders; Go to market strategy (launch 1 Sep?) National Brand Summit			
2.5	Monitoring, evaluation and refinement + Maintenance			
3	**STAKEHOLDER ALIGNMENT AND INTEGRATION**			
3.1	Roll out of Stakeholder Engagement Strategy			
3.2	Country management (country offices; other countries)			
3.2	Leveraging stakeholder events (e.g. Shanghai Expo, Africa Dialogue)			
4	**BRAND ALIGNMENT ROLL OUT**			
4.1	Training of stakeholders on Corporate Identity (Phase 1)			
4.2	Training of stakeholders on refind Brand DNA and Communications Strategy			
5	**REPUTATION MANAGEMENT**			
5.1	Media intelligence Identifying opninion leading media, Key issues and their agenda Analysing media landscape to pick up trends			
5.2	Agenda setting through structured engagements Issue management and crisis response management Tactical PR activations			
5.3	Communications Strategy and Messaging Development			
6	**CHANNEL STRATEGY**			
6.1	Digital approach / e-management			
6.2	Leveraging Events: Other org's events (e.g. WEF, Global Forum); IMC events			
7	**BRAND PERFORMANCE MANAGEMENT**			
7.1	Performance Dashboard			
7.2	Competitive Tracking			
7.3	Co-ordination of research amongst stakeholders (knowledge mgmt system)			
8	**IMC FUNDING MODEL & BUSINESS SUSTAINABILITY**			
8.1	PPP Approach (e.g. Davos Model)			
8.2	Sustainability - triple bottom line			
8.3	New Revenue Streams (e.g. Proudly South African; Royalties)			
9	**ORGANISATIONAL DEVELOPMENT**			
9.1	Structure and Resourcing			
9.2	Systems and Processes			
9.3	Financial Management			

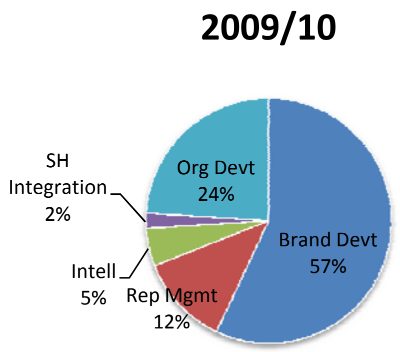
INTERNATIONAL MARKETING COUNCIL OF SOUTH AFRICA
Strategic Plan 2010/11 - 2012/13

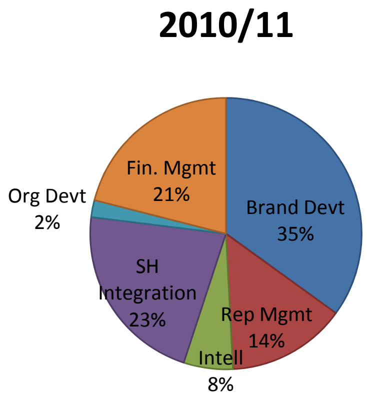
BUDGET TOTALS

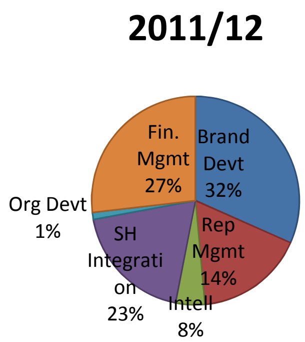
	2009/10 BUDGET - ZAR	Var	2010/11 BUDGET - ZAR	Var	2011/12 BUDGET - ZAR	Var	2012/13 BUDGET - ZAR	Var
GRANT FROM GCIS AS PER MTEF ALLOCATION (25/11/2009)	**R 161 381 000**	5%	**R 170 113 000**	-21%	**R 140 089 000**	6%	**R 148 779 000**	

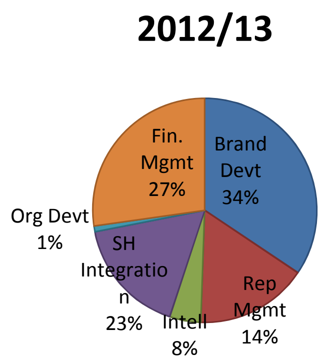
	Rand 2009/10	% 2009/10	Rand 2010/11	%	Rand 2011/12		Rand 2012/13	%
Brand Devt	R 91 448 878	57%	R 59 455 149	35%	R 44 316 272	32%	R 51 200 037	34%
Reputation Mgmt	R 19 350 143	12%	R 24 178 149	14%	R 23 673 950	17%	R 24 035 210	16%
Intelligence	R 7 792 000	5%	R 9 984 110	6%	R 6 374 371	5%	R 6 713 346	5%
Stakeholder Integration	R 3 000 000	2%	R 37 323 071	22%	R 26 623 071	19%	R 25 048 071	17%
Org Devt	R 39 789 979	24%	R 3 400 000	2%	R 1 550 000	1%	R 1 250 000	1%
Fin. Mgmt		0%	R 35 772 521	21%	R 37 551 336	27%	R 40 532 336	27%
	R 161 381 000	100%	**R 170 113 000**	100%	**R 140 089 000**	100%	**R 148 779 000**	100%
Variance between allocation and proposed expenditure			R 0		R 0		R 0	

* Note that the allocation percentages by strategy have changed to reflect the refined mandate and operating model of the IMC - i.e. working through others.
Hence a greater allocation to "reputation management" and "stakeholder and partner alignment and integration" than in previous years









INTERNATIONAL MARKETING COUNCIL OF SOUTH AFRICA
Strategic Plan 2010/11 - 2012/13

Strategy 1: BRAND STRATEGY DEVELOPMENT AND MANAGEMENT (SM)

Linked to Objective 2: Nation Brand and Competitiveness Rankings

NO	Priority Ref.	PROJECT	OVERALL DESCRIPTION (detailed activities contained in Business Plan)	BUDGET		
				2010/11	2011/12	2012/13
1.1.	2.1	Development of new SA Brand Positioning	Alignment of new brand positioning, value proposition, slogan and comstrat against the Constitution, Vision 2025, MTSF, POA and 5-Year Govt Messaging Strategy	R 500 000	R 100 000	R 100 000
1.2.	4	Align positioning and visual language of key sub-brands to national brand key (Brand Alignment Project)	Ensuring all stakeholders aligned behind the nation brand in terms of corporate identity and imaging, through training and support. Selling *one* South Africa, and individual entities, provinces, and cities etc within that.	R 9 300 000	R 7 600 000	R 7 300 000
1.3.	1.2	Integrated creative strategy to activate new brand positioning and launch of new Brand SA slogan	Taking the brand positioning to market through advertising, communcations, and leveraging stakeholder channels	R 20 977 495	R 16 746 878	R 19 449 596
1.4	6	Implement co-ordinated and integrated channel strategy that addresses which channels we use to go to market	Collaboration with key national stakeholders and provincial agencies on key nodal events / milestones around which to focus co-ordinate marketing activities. Provision of toolkits and frameworks to ensure alignment between stakeholders	R 4 300 000	R 1 000 000	R 1 029 279
1.5	1&2	Domestic Mobilisation - development of content for mobilisation campaigns	Above and below the line activation aimed at building pride and patriotism amongst South Africans	R 18 018 923	R 13 136 574	R 17 500 250
1.6	6	E-Marketing strategy	Maintenace of Brand SA websites, and digital marketing collateral	R 6 358 731	R 5 732 820	R 5 820 912
			BUDGET TOTAL	**R 59 455 149**	**R 44 316 272**	**R 51 200 037**

INTERNATIONAL MARKETING COUNCIL OF SOUTH AFRICA
Strategic Plan 2010/11 - 2012/13

Strategy 2: REPUTATION MANAGEMENT (MD)

Linked to Objective 1: Reputation Index Rankings

NO	Priority Ref.	PROJECT	OVERALL DESCRIPTION (detailed activities contained in Business Plan)	BUDGET		
				2010/11	2011/12	2012/13
2.1	5	Agenda Setting - Influencing Media Agenda	Media engagement including media tours, business boardrooms, media breakfasts, opinion pieces, etc	R 5 000 000	R 5 000 000	R 5 000 000
2.2	5.2	Issue management	Issue and crisis response handling Proactive pushing of content through Media Club initiatives. www.mediaclubsouthafrica.com	R 3 500 000	R 3 500 000	R 3 500 000
2.3	5	Refinement and implementation of Reputation Management Strategy and roll out plan:	With support of reputation mangement agency	R 9 031 515	R 9 031 515	R 9 392 775
2.4	5	Tactical PR Activations	PR support for key events: trade and investment initiative, strategic events, Branding Summit, new positioning launch	R 3 646 634	R 3 142 435	R 3 142 435
2.5	5	Strategic media intelligence	Media tracking,monitoring and analysis Performance monitoring, reputation index tracking	R 3 000 000	R 3 000 000	R 3 000 000
			BUDGET TOTAL	**R 24 178 149**	**R 23 673 950**	**R 24 035 210**

INTERNATIONAL MARKETING COUNCIL OF SOUTH AFRICA
Strategic Plan 2010/11 - 2012/13

Strategy 3: BRAND INTELLIGENCE AND PERFORMANCE MANAGEMENT (CMO)

Linked to Objectives 1 to 4 (providing the insights to inform appropriate action)

NO	Priority Ref.	PROJECT	OVERALL DESCRIPTION (detailed activities contained in Business Plan)	BUDGET 2010/11	2011/12	2012/13
3.1	7	Development of the definitive knowledge management system regarding the Brand	Development of an integrated research strategy across global and domestic platforms (eg international brand tracking studies, domestic brand tracking studies.	R 4 956 110	R 5 374 371	R 5 723 346
3.2	7.1	Measurement of the achievement of the Brand SA Performance Dashboard	Research and tracking of Bnrad SA's key performance indicators, such as subscriptions, brand equity studies, etc	R 1 528 000	R 1 000 000	R 990 000
3.3	7.3	Global Segmentation Model	Collaborating with stakeholders to develop a research based segmentation model to assist with defining target markets and tailoring campaigns appropriately.	R 3 500 000	R 0	R 0
			BUDGET TOTAL	**R 9 984 110**	**R 6 374 371**	**R 6 713 346**

INTERNATIONAL MARKETING COUNCIL OF SOUTH AFRICA
Strategic Plan 2010/11 - 2012/13

Strategy 4: STAKEHOLDER AND PARTNER ALIGNMENT AND INTEGRATION (MD)

Linked to Objectives 1, 2 and 4

NO	Priority Ref.	PROJECT	OVERALL DESCRIPTION (detailed activities contained in Business Plan)	BUDGET		
				2010/11	2011/12	2012/13
4.1	4	**Brand Alignment project roll out**	New CI integration Brand engagement programme with stakeholders Toolkit and framework dissemination Hosted breakfasts, seminars and workshops	R 4 000 000	R 1 000 000	R 1 000 000
4.2	3	Establishment of **Stakeholder Forums**	Annual Brand Summit with marketers & communicators to understand Brand Positioning and Direction	R 3 500 000	R 3 500 000	R 3 500 000
4.3	3	**Relationship management** and monitoring	1. Stakeholder audit 3. Stakeholder influencer analysis 4. Stakeholder perception analysis 5. Issue analysis	R 1 000 000	R 0	R 0
4.4	3	Leverage **Stakeholder Events**	Establish systems for integrated alignment and implementation of international and domestic activities (character, tone) while maintaining value proposition Management of joint projects.	*R 21 150 000*	*R 14 450 000*	*R 12 875 000*
4.5	3	Thought leadership programe	Global South Africans Programme Thought Leader events - roundtables, hosted seminars and workshops	R 7 673 071	R 7 673 071	R 7 673 071
		BUDGET TOTAL		**R 37 323 071**	**R 26 623 071**	**R 25 048 071**

INTERNATIONAL MARKETING COUNCIL OF SOUTH AFRICA
Strategic Plan 2010/11 - 2012/13

Strategy 5: ORGANISATIONAL DEVELOPMENT (PM)

Linked to Objective 3: Cutting Edge Organisation

NO	Priority Ref.	PROJECT	OVERALL DESCRIPTION (detailed activities contained in Business Plan)	BUDGET		
				2010/11	2011/12	2012/13
5.1	9	Alignment of organisation to new mandate and busines model	Revisions of policies and systems towards and stakeholder driven, project management strong organisation	***R 1 000 000***	***R 500 000***	***R 500 000***
5.2	9	Ongoing enhancement of processes and systems – HR, IT, Ops, Financial	1. Phase 2 of IT system integration – CRM, project mgmt, HR automation, knowledge mgmt (for intelligence function) Streamline planning and reporting processes	R 2 000 000	R 750 000	R 500 000
5.3	9	Board Development	Board Training Refinement of governance framework	R 200 000	R 100 000	R 50 000
5.4	9	CSI Programme	Development and implemenation of CSI projects in line with a CSI strategy which reflects Brand SA values and aims for maximum benefit for each rand invested	R 200 000	R 200 000	R 200 000
			SUB-TOTAL	**R 3 400 000**	**R 1 550 000**	**R 1 250 000**

INTERNATIONAL MARKETING COUNCIL OF SOUTH AFRICA
Strategic Plan 2010/11 - 2012/13

Strategy 6: PRUDENT FINANCIAL MANAGEMENT AND CONTROL (MM

Linked to Objective 4: Business Sustainability

NO	Priority Ref.	PROJECT	OVERALL DESCRIPTION (detailed activities contained in Business Plan)	BUDGET		
				2010/11	2011/12	2012/13
6.1	9.2	Strategic Plan and Business Plan	MTEF is compiled and submitted, Budgets for Strategic and Business Plans are made	R 0	R 0	R 0
6.2	8	IMC Funding Model	Study other models and global best practice: Feasibility study plus imlpementation	R 750 000	R 100 000	R 50 000
6.3	9.2	Risk Management and Rescue Plan	Facilitated Risk Management Planning Workshop and Process	R 150 000	R 53 500	R 57 500
6.4	9.2	Governance and Compliance	Attend related conferences and training	R 90 000	R 90 000	R 90 000
			Policy Development			
6.5	9.2	Ensure proper financial management internal control	Ensuring comnliance with standards and Implementation of triple bottom line reporting	R 50 000		
6.6	8.2	Cost saving and environmental measures	Identify Cost saving projects, implement, monitor and report	R 60 000	R 30 000	R 30 000
			Sub-total: Financial Management	***R 1 100 000***	***R 273 500***	***R 227 500***
6.7		Running Costs	1. Staff Costs *	R 21 973 000	R 23 291 000	R 24 687 000
			2. Admin Costs	R 4 242 629	R 4 497 187	R 4 767 018
			3. Operating Costs	R 7 735 892	R 8 682 129	R 9 946 396
			4. Audit Fees	R 721 000	R 807 520	R 904 422
				R 34 672 521	***R 37 277 836***	***R 40 304 836***
			SUB-TOTAL	**R 35 772 521**	**R 37 551 336**	**R 40 532 336**

* **Note:**
The staff costs budget is based on the current organisational structure. Should any change occur to the structure which incurs different costings, then the budget will need to be reprioritised accordingly.

EXPLANATION OF PERFORMANCE MEASURES

1. REPUTATION INDEX

Media Tenor's Global Reputation Score represents an in-depth analysis of media coverage in 42 countries, over 200 print and broadcast media and their reporting on South Africa. Every report with significant relevance to South Africa (editorial coverage in news and business sections featuring the government, politics, nature, business, society and non-results sport, amongst others) is assessed according to the four pillars of a country image (see Anholt and others): Nature/Geography/Tourism; History/Culture/People; Business/Economy; Politics/Government.

Evaluated are both the context of the coverage as well as any particular explicit comments made by sources. The score, on a scale of 1 to 100 indicates the reputation of a country, as expressed by the media. The report is based only on the evaluation of media coverage, no stakeholder surveys. Analysis is conducted through human, trained analysts following Media Tenor's methodology of 15 years.

What is a 'good score' and what is a 'bad score'?
To establish this, a country has to be compared to other countries. The challenge is that a country's perception depends on the volume of coverage it receives – as this indicates the awareness created. This can change over time, as issues and positions are shifting. Media Tenor, on the basis of analysing coverage on all countries in 20 international core media, has established the following scale for 2009 (on the basis of 2008 data):

0-30: Very Poor / 31-40: Poor / 40-45: Mediocre / 45-50 Average / 50-60: Good / 60-65: Very Good / >60 Exceptional

2. ANHOLT GfK ROPER NATION BRAND INDEX

The Anholt-GfK Roper Nation Brands Index measures the power and quality of each country's 'brand image' by combining the following six dimensions:

Exports – Determines the public's image of products and services from each country and the extent to which consumers proactively seek or avoid products from each country-of-origin.
Governance – Measures public opinion regarding the level of national government competency and fairness and describes individuals' beliefs about each country's government, as well as its perceived commitment to global issues such as democracy, justice, poverty and the environment.
Culture and Heritage – Reveals global perceptions of each nation's heritage and appreciation for its contemporary culture, including film, music, art, sport and literature.
People – Measures the population's reputation for competence, education, openness and friendliness and other qualities, as well as perceived levels of potential hostility and discrimination.
Tourism – Captures the level of interest in visiting a country and the draw of natural and man-made tourist attractions.
Investment and Immigration – Determines the power to attract people to live, work or study in each country and reveals how people perceive a country's economic and social situation.

The Nation brand Index gauges the perceptions of citizens in developed and developing countries that play important and diverse roles in shaping global foreign policy as well as the flow of business, cultural, and tourism activities around the world. Interviews are conducted among citizens of 20 countries around the world. In each survey country, about 1,000 online interviews are conducted with people age 18+. Each of the 50 nations is

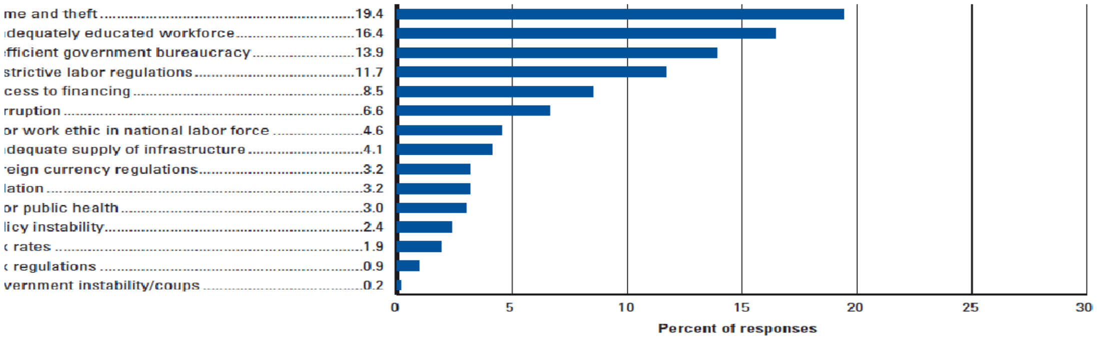
3. WEF GOLBAL COMPETITIVENESS INDEX

The Global Competitiveness Report's competitiveness ranking is based on the Global Competitiveness Index (GCI), developed for the World Economic Forum by Sala-i-Martin and introduced in 2004. The GCI is based on 12 pillars of competitiveness, providing a comprehensive picture of the competitiveness landscape in countries around the world at all stages of development. The pillars include Institutions, Infrastructure, Macroeconomic Stability, Health and Primary Education, Higher Education and Training, Goods Market Efficiency, Labour Market Efficiency, Financial Market Sophistication, Technological Readiness, Market Size, Business Sophistication, Appendix

The rankings are calculated from both publicly available data and the Executive Opinion Survey, a comprehensive annual survey conducted by the World Economic Forum together with its network of Partner Institutes (leading research institutes and business organizations) in the countries covered by the Report. This year, over 13,000 business leaders were polled in 133 economies. The survey is designed to capture a broad range of factors affecting an economy's business climate. The Report also includes comprehensive listings of the main strengths and weaknesses of countries, making it possible to identify key priorities for policy reform.

South Africa' Performance 2009

ıe most problematic factors for doing business



te: From a list of 15 factors, respondents were asked to select the five most problematic for doing business in their country/economy and to rank them between 1 (most problematic) and 5. The bars in the figure show the responses weighted according to their rankings.

Global Competitiveness Index

	Rank (out of 133)	Score (1–7)
GCI 2009–2010	**45**	**4.3**
GCI 2008–2009 (out of 134)	45	4.4
GCI 2007–2008 (out of 131)	44	4.4
Basic requirements	77	4.3
1st pillar: Institutions	45	4.5
2nd pillar: Infrastructure	45	4.3
3rd pillar: Macroeconomic stability	68	4.6
4th pillar: Health and primary education	125	3.6
Efficiency enhancers	39	4.5
5th pillar: Higher education and training	65	4.0
6th pillar: Goods market efficiency	35	4.7
7th pillar: Labor market efficiency	90	4.2
8th pillar: Financial market sophistication	5	5.4
9th pillar: Technological readiness	65	3.7
10th pillar: Market size	24	4.9
Innovation and sophistication factors	39	4.1
11th pillar: Business sophistication	36	4.6
12th pillar: Innovation	41	3.5

4 STAKEHOLDER SATISFACTION INDEX

the level of satisfaction

obtained each year. This process will be undertaken over the first quarter of 2010/11.

5 CUTTING EDGE ORGANISATION

The IMC is currently investigating an appropriate measure to determine it's success as an organisation against other,. Similar organisations. It is working with Anholt GfK Roper to develop a *Corporate Reputation Scorecard* for nation branding organisations, to look at:

- A current assessment of the IMC's reputation vs. its 'competition', as well as how its reputational strengths and weaknesses compare with leading organisations globally
- Consistent measurement across constituencies based on key drivers of reputation
- Market-based guidance for communications planning to set goals, identify and prioritise targets, formulate messages to influence positive outcomes
- Benchmarks against which progress can be measured over time

6 SUSTAINABILITY INDEX / TRIPLE BOTTOM LINE

A process is underway to find a relevant sustainability indicator that is suitable for the IMC and will be implemented as soon as possible.