

SA budget: It's time to disrupt the status quo

By [Luca Gallarelli](#), issued by [TBWA](#)

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The 2020/21 National Budget comes at a time of extreme upheaval and disruption for the economy, businesses, communities and citizens alike. But the policy choices made by the government alone will not get SA Inc and its people through the storm. The recovery right now is simply too slow to offer enough optimism and confidence of a better future for all, especially the most vulnerable members of society. But it's at a time like this, when true disruptive forces can come to the fore to drive change, offer hope and brighten lives.

At TBWA\, we believe the status quo is there to be upset. It is our view that if you're not disrupting, you're conforming. If you're conforming, you're going unnoticed. We, therefore, want our clients' brands to be noticed, to have a role in people's lives, to make all of the other brands in the category 'me too'. So, we disrupt.

Let's consider some of the startling statistics forcing everyone to go into survival mode. The World Economic Outlook 2021 projects just 2.8% GDP growth for South Africa in 2021 and an even worse 1.4% in 2022. The picture is even worse if you consider that many businesses are struggling to claw back 15% or more in revenue losses. Even a growth rate of 5% will not help, as growth will still not reach the levels seen in 2019.

According to the International Monetary Fund (IMF), which recently completed a visit to SA, output contracted sharply, and employment losses were significant, despite the authorities' timely actions to support the most vulnerable groups and affected businesses. Public finances also suffered severely, with the budget deficit and public debt increasing significantly amid the recession and pandemic-related expenses. The resurgence of infections and the protracted vaccination procurement and distribution processes, as elsewhere, will likely weigh on the economic recovery this year, notwithstanding improved external conditions.

SA has taken a tremendous knock over the past 14 months in terms of lack of productivity due to the lockdown, and this has led to an inability to generate and collect taxes. The key question is how to fast track improved revenue generation and productivity. In our view it must come from the disruptive and exponential growth which can be generated by SA businesses that adapt and change the status quo.

The crisis is also putting immense pressure on CEOs, CFOs and CMOs, all who will have a different role to play to deliver that exponential growth and lead the recovery. It is a very big challenge for businesses and agencies in terms of how we assist to unlock this growth.

But instead of going backwards and falling victim to endless pessimism and doom and gloom, it is imperative for companies to unlock disrupted growth. The principle is for companies to look for levers that will help them achieve 10%, 15%, 20% growth to deliver meaningful value.

Understanding performance marketing where every piece of communication must have a quantifiable impact and effect on driving a key metric for a client will be so unbelievably important during the recovery and growth phases ahead. There needs to be a sharp focus on actual delivery.

But this can only be achieved where data, media, insights, and creativity converge - freed up from their current existence in parallel streams and aligned into one.

This is just one of the many important levers that will need to be harnessed. Others would include identifying triggers in culture that are meaningful to brands, in real time. True brand ideas, design ideas, product ideas, platform ideas, will all combine to drive change at the speed of culture.

According to the IMF, a growth-friendly but sizable fiscal consolidation effort over the coming years will be required for SA to stabilize debt and put it on a declining path, thus reducing country risk premia and improving investor confidence.

We believe disruption needs to be the starting point and guiding light for SA businesses to overcome these challenges and accelerate the recovery. It is a proven, successful, collaborative business tool that helps us forge a unique path for growth. It's time.

ABOUT THE AUTHOR

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