

Zim: Adma boss forecasts increase in ad campaigns

Pilate Machado, media / marketing guru and chairman of the Advertising Media Association (Adma) has projected advertising growth in Zimbabwe, but said the cake was still small for an increasing number of media outlets in the country.

By [Dumisani Ndlela](#) 13 Aug 2010



Pilate Machado, chairman of Adma

"There is excitement with the coming in of new players. I think that will bring in competition. It's important to make the investment now in the hope that the economy will improve," and the advertising cake grows, said Machado, who is also deputy chairman of the Zimbabwe Advertising Research Foundation.

He said advertising, which had been affected by an economic crisis that devastated local industries, had recovered, growing by about 50% so far this year in terms of advertising volumes.

Not at normal levels yet

"We're not yet back to the normal levels before the economic crisis," said Machado in an interview with Bizcommunity. "We're currently operating at between 40% and 50% capacity which means we are utilising less pages than we would under normal circumstances."

The second half of this year could see a further improvement in advertising volumes, but much would still depend on the health of the recovering economy, he said.

"Advertising in general has been good compared to last year. We had the OK Grand challenge which brought in a number of (manufacturing sector) partners and that helped create volumes."

Ad volumes boosted

Advertising volumes had been largely boosted by the telecommunications and retail sectors. The advertising industry could only be deemed to have returned to health once the manufacturing sector, the hospitality industry and the insurance sector came back into the picture with volumes, he said.

Machado said new newspaper outlets licences to operate this year would help improve service delivery. *NewsDay* has already started publishing and has had a fair share of advertising traffic, and the *Daily News* is expected to start printing in September.

"It's better than a situation where you have one or two media houses. New media outlets will certainly help

improve the quality of advertising concepts and the reach of advertising campaigns. Advertisers will have a choice when targeting audiences," said Machadu.

Laxity in payments

He feared, however, that there might be laxity in abiding by agreed payment terms within the industry in a market with a number of new players competing for a small share of advertising.

One of Adma's mandates is to ensure that there is uniformity in payment terms but at the same time allow media organisations to compete in service delivery.

"Currently, the challenge is cash flow. Members are struggling to get paid; you get to a point where so much is owed but you can't stop accepting a client's adverts," said Machadu.

ABOUT DUMISANI NDLELA

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