

Nation brands

The case book expands

With national branding well and truly back on the agenda - see this issue's **Brandwatch** and the article from Jonathan Griffin for updates on British efforts, great and otherwise - **Locum Destination Review** invited **Creenagh Lodge** of the Corporate Edge consultancy to cast her experienced eye over the state of play. Few strategists have ploughed this field more intensively or researched the links between corporate identity and national identity more extensively.



Branding countries - meaning a serious strategic plan rather than just a logo - is set to grow exponentially. There are those who think branding countries is a trivial and trivialising exercise, but then they are the people who think 'brand' means a designer label handbag. As the global market grows so does global competition and so countries, every bit as much as commercial organisations, have to seek competitive edge, because the market is spoiled for choice.

Initially it was thought that throwing money at promotion would do the trick. But many a country who spent a fortune on advertising cliches like 'think again about us' or 'look at all our friendly faces' has realised that without long-term strategic objectives, image-tweaking is a waste of time and money.

New Zealand, interestingly, tried both. For the US, it experimented with marketing-saturation of one city, Dallas, for six months. Sales soared. New Zealand was the buzz in the bazaars. But one year later sales had fallen back to the level they had been at before the experiment started. For Europe, they developed a strategy. Based on economic necessity (high margin because they were small and remote), the strategy was one of excellence and the proposition 'far and away the finest'. New Zealand has now adopted this strategy globally, embodied in '100% Pure NZ', to well-evidenced effect.

The two key strategic imperatives which are now emerging are the need to achieve disproportionate impact and the need to show the world that there's a determined and sophisticated *mind* behind the proposition.

Achieving disproportionate impact

This is what is more simply known as 'more for your money'. As nearly all countries have budgets which are meagre for the task to be achieved, tweaking an inadequate (or positively damaging) image is not nearly as good value as developing a powerful strategy and executing it cleverly.

The two countries which have most notably achieved disproportionate impact are Spain and New Zealand.

Each rooted its remarkable turn-around in a deep-laid plan, or long-term strategic intent, to succeed in very high margin but spoiled-for-choice markets. In Spain's case the focus was tourism. The change required was massive - from workers' playground to sophisticated experience. The change was achieved by an exceptional, unified will to bring about major change. The focus for New Zealand was the export of produce. The repositioning challenge was equally daunting - from suburban mediocrity to exotic excellence. Here the change was achieved by the top foreign currency

earners deciding that if they spent a proportion of their overseas marketing budget on New Zealand, each of them would benefit disproportionately.

Disproportionate impact can also be gained by collectivising, or at least aligning, the propositions of the major revenue streams of a country, viz. tourism, inward investment and exports. All the market research which Corporate Edge has done, in the branding exercises undertaken, shows remorselessly that the inward investor thinks first like a tourist, that a good visitor experience encourages purchase of a country's exports and that a successful economy is a key incentive to visit. American investors, for instance, are very open to Scottish opportunities because they are extremely fond of the country and greatly admire Scottish values. A whole new cuisine and diet was opened up for the English as they experienced Italian and Spanish food on holiday. And while the French are not fond of the US ('awful food and no-one knows where France is let alone speaks French') they feel they must visit it because it is an economic giant. And consider the historic impact on Spanish wine sales as a result of the changed tourism strategy.

Interestingly, of the three, it is tourism which has largely pioneered country branding. Often seriously undervalued by both governments and the indigenous population (the recent BTA campaign was



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panned by the UK press but greatly liked by the rest of the world), it will nearly always have been the prime force in establishing the image. To leave it out of consideration of the strategies of the other two seems like a folly of wasted potential effect.

But perhaps more tellingly, money spent on exports has been demonstrated to have a truly disproportionate effect on GDP. And as much as tourism, exports build a country's brand equity (the beliefs, negative or positive, people work out for themselves). The world knows Scotland produces fine whisky, fine textiles (cashmere) and fine seafood (smoked salmon). It deduces therefore that Scotland has high quality standards and thus would be a good place to set up a factory; and, because these are traditional products, that heritage is preserved, which therefore makes it an interesting and unique place to visit.

Our evidence also suggests that success in exports raises the self-esteem of a country. The average citizen, we have found, feels too much dependency on inward investment is a touch too much like being out with the begging bowl - if this is the major source of

employment and revenue - and thus hostage to other economies. He or she also feels that over-dependency on tourism can produce a reality split - the pleasant dream on the surface and the real life of the population concealed in the background. Exports are different - success here breeds well-founded self-esteem, therefore self-confidence, therefore more success.

It seems important, therefore, that all three be recognised as not only highly interactive, but, when linked, capable of exponential impact. It seems safe to say that in the future no right-thinking government will have anything other than a unified, over-arching selling proposition into which all other initiatives will be absorbed.

Showing the world a sophisticated mind

This is almost the reverse of the old advertising sneer: 'your strategy's showing', meaning if the consumer sees what your manipulative tricks are, you've lost the plot. Again from our research, the evidence shows

that the rich, sophisticated markets strongly welcome a country's declaration of strategic intent.

The work we did for Ontario demonstrated this. The focus here was on tourism, as the government of Ontario wanted to attract affluent Europeans as the key element in their economic plan. As a research tool, we developed a series of very different logos, one of which was a freely-drawn signature treatment. This had an impact we had not expected. Europeans, especially continental Europeans, thought of Canada, as a whole, as vast and empty - full of natural beauty but on far too big a scale with few if any human beings. Europeans in particular look for *experiential* holidays, especially if they are long haul destinations, and this definitely includes relating to people, and preferably people who offer interesting food and cultural experiences. The other experimental logos, deliberately designed to align with positive beliefs like untouched nature, simply confirmed what the people in the research already knew. But the signature logo was seized on with enthusiasm. 'This,' said one German, 'shows they are people first and

'Scotland's country-of-origin device [bottom right] ... is evolved and individual, relaxed yet dignified'



landscape second; that they can *think*; and that their thinking is quite sophisticated - a signature is the hallmark of individuality and this individuality is attractive.'

This, of course, is exactly the effect Spain achieved when it launched its dramatic logo as the outward sign of its inward (strategic) grace. From this logo the strategy is easily adduced: that we flourish this sort of design shows the value we place on the arts; that we put our name in our own language shows our self confidence; that it incorporates the sun shows we do not reject the traditional sun, sea, sand tourist, but that it is background shows there is much more to Spain than this; that the design is open and flowing shows our attractive

vitality and whatever experience you choose, it will be intensely pleasurable.

This powerful visual expression of a mind and a mind-set also tells the observer that it is highly likely that the strategy has been thought through, meaning you can expect the product experience to deliver against its promise. This fulfils one of the great definitions of a strong brand - a promise that is kept. And it speaks as strongly to the inward investor as to the tourist, since one of the first things an investor needs to know is whether there is clear strategic intent and whether it is derived from long-term commitment. And as a country's brand considerably outlasts any government, it is a good deal more persuasive.

Scotland too has a logo, or rather a country-of-origin device for exports which is expanding into other areas. To the outside world it triggers recognition of Scotland (important in that 'Scotland' is subject to major translation variations) by the discreet use of tartan, but not dominated by it. The typeface design is seen as evolved and individual, relaxed yet dignified. Again the strategy is clear: we are proud of our

Scottish identity, our values and our heritage as these are relevant to the twenty-first century. And interestingly what the Scots see is all of this plus a Scotland warming into greater vitality through the colours moving from blue to red.

As more and more countries see they must have a compelling proposition if they are to succeed, these are the increasingly sophisticated techniques they will adopt. This is an encouraging trend, for it gives the poor but strategically-sound and determined country a better chance than the unfocused and assumptive rich one. As a means of achieving level playing field terms, it is good news for them.