

# Branding in the early 2000s: *the new forces at work*

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As northern European companies strengthen in the 2000s, and the People's Republic of China joins the WTO, how will branding strategies change from the predominantly occidental–American model? Will it be pushed gently from Scandinavia into new areas and will the discipline be influenced by a need to discover more about the mainland Chinese consumer? As a new world economy emerges with governments being more cooperative after September 11, 2001, the author examines how branding might look in the next few years—and how they might be remembered.

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## The new forces in branding

WITH recent events, including September 11, 2001, globalization, Swedish business principles, the Nordic school of marketing thought, Asia and media integration are likely to be major influences behind branding over the next few years.

With the exception of the events of September 11, none of these are 'new', but the author believes that they will properly enter the branding dialogue in a stronger way.

National branding and related topics such as country-of-origin marketing have been discussed for many years, but identity and branding experts did not pay attention to them in recent times until the BBC's *The Money Programme* examined the branding of Britain. The idea caught on in Germany, where ZDF commissioned a similar study from identity consultancy Wolff Olins. Lately, aspects of national branding have become more important as a means to differentiate products that are becoming more homogenous, and an awareness of 'the relationships between country, brand and product images on purchasing behaviour' grows.<sup>2</sup> In the 2000s, related concepts, namely the behaviour of nations that must drive this branding, are bound to influence branding.

Meanwhile, Sweden has been noticeable because some of its products have carved a niche based on strong design. In *CAP*, Playsam toys, the original Saab car and Swedish web pages have been mentioned in relation to design. Scandinavian settings look exotic to the Anglo-American eye when it casts itself over Latin letters in unusual sequences.

Online, Swedish businesses got noticed when boo.com collapsed, a development regarded as inevitable by *CAP Online*.<sup>3</sup> The magazine had been more confident of other Swedish businesses, however. Online digital editions of Swedish magazines and newspapers, mail order companies such as BC Company and fashion label Hennes & Mauritz came to our attention on the web. They were marked by strong design and the latest developments: it was no surprise that boo.com tried to stretch even further, because its origins were in a country that was, and perhaps still is, one of the most ready to embrace the possibilities of the web.<sup>4</sup>

It takes more than smart policies to encourage such growth. One might think Sweden would not be a candidate, given her high-taxation social welfare programme. Crainer says that taxes still account for 52.1 per cent of GDP.<sup>5</sup> But Sweden has two elements that make her a strong nation: (a) her outward visions for international companies that encourage it to listen and gain knowledge from its audiences; (b) a positive country-of-origin effect that seems to transcend product categories successfully—witness Absolut Vodka, Ikea, Saab and Volvo. Both contribute to the identities and brands of the country's exporting organizations.

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2. Jaffe and Nebenzahl: *National Image and Competitive Advantage: the Theory and Practice of Country-of-origin Effect*. København 2001, p. 38.

3. Yan: 'Boo.com boo hoo', *CAP Online*, May 19, 2000, <<http://jyanet.com/cap/2000/0518ob0.shtml>>.

4. Crainer: 'And the new economy winner is ... Europe', *Strategy & Business*, no. 23, second quarter, 2001, at p. 5.

5. *Ibid.*, p. 4.

In the beginning of this decade, Swedish management and marketing practices could become more prevalent. In the 1980s and 1990s, relationship marketing ideas from the Nordic school began to make their way into the marketing journals and the bookshelves,<sup>6</sup> at the same time another concept, that of brand equity, emerged from David Aaker.<sup>7</sup>

The internet has seen both become more important. Customer service models were studied as etailers tried to find a way to create consumer trust, which CAP had found, through anecdotal evidence, as almost paramount in the digital arena.<sup>8</sup> The one-on-one relationships advocated by the Nordic school were made possible through database advances. Brands had to stretch from offline ventures or be conceived to deal with the addition of a new medium. Virtual organizations needed to be branded and their relationships with allied firms, contractors and customers needed to be managed using relationship marketing principles.<sup>9</sup> In the last five years, successful Swedish online ventures have built themselves around these concepts.

While northern Europe begins to influence the rest of the world, there may be an equal measure of change in branding and marketing strategy as the People's Republic of China joins the World Trade Organization. Reports seemed to question whether communism in a country still controlled by an oppressive politburo would be buried. With WTO membership, the PRC could speed free-market reforms<sup>10</sup>—but could the same happen to press freedoms, the cessation of alleged (and often denied) attempts to censor the internet,<sup>11</sup> the crackdown on corruption or the advent of proper human rights?

In recent years, Chinese culture has permeated western society more, especially in movie-making techniques and aesthetics.<sup>12</sup> This has taken place largely after 1997, after the handover of Hong Kong to the People's Republic. Companies have been enthusiastically trying to enter China, with its promise of 200 million people with consuming power, for decades. Therefore, unlocking Chinese concepts of “face” have played a part in marketing and branding agenda, particularly as the Middle Kingdom's consumers begin to attain affluence.

Given that the roots of marketing and branding strategy have been based on American models, and that nine of the world's top ten brands are American,<sup>13</sup> then will the mould be stretched by both west and east? The United States, in a more globally cooperative, post-

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6. For example, Grönroos: *Service Management and Marketing: Managing the Moments of Truth in Service Competition*. Lexington, Mass.: Lexington Books 1991. For a useful introduction to the Nordic school's research traditions, see Gummesson: 'Relationship marketing and imaginary organizations: a synthesis', *European Journal of Marketing*, vol. 30, no. 2, 1996, pp. 31–44. Both credit the origin of the term to Berry: 'Relationship marketing', in Berry, Shostack and Upah (eds.): *Emerging Perspectives in Services Marketing*. Chicago 1983.

7. Aaker: *Building Strong Brands*. New York 1991.

8. Yan: 'Online branding: an antipodean experience', in Kim, Ling, Lee and Park (eds.): *Human Society and the Internet*. Berlin: Springer 2001, pp. 185–202.

9. Gummesson, op. cit., at p. 32.

10. Lee: 'Is China burying communism for good?', *San Francisco Examiner*, November 20, 2001.

11. There is evidence that this is both being relaxed and applied inconsistently and arbitrarily by Chinese censors. Shaw: 'Internet censorship in China', *Online Journalism Review*, May 6, 1998, <<http://ojr.usc.edu/content/story.cfm?request=239>>.

12. See Yan: 'The moral globalist: making globalization work', *CAP Online*, May 2, 2001, <<http://jyanet.com/cap/2001/0502fe0.shtml>>.

13. 'The 100 top brands', *Business Week Asian Edition*, August 6, 2001, pp. 52–5.

September 11, 2001 mood, is more willing to embrace new cultures diplomatically. And in reverse, too: Russia is willing to cooperate with the US. The economic isolationists within the Bush administration have been silenced. Laws were passed rapidly against terrorism and the money-laundering that often finances it, and, although negotiations are far from smooth, there are likely to be biological and chemical weapons' conventions.

Companies may well follow suit to prevent greater losses during a recession. It potentially points to a new era of branding which is more sympathetic to alternative marketing models.

### Nations that listen

September 11, 2001 does not mark the first day of change in how companies brand. The forces moulding and changing the field have been around for many years. It may, however, have set off realizations that global change means a revised approach to branding.

With nations beginning to examine branding—most recently the Philippines began considering it after a seminar by Philip Kotler there<sup>14</sup> and New Zealand's influential *Unlimited* devoted a feature story to its own national brand<sup>15</sup>—companies may find inspiration from nations, rather than the other way around, as the first aspect to the new era.

Even the United States has questioned its image. Why was there anti-American sentiment and why were McDonald's branches targeted by demonstrators in Pakistan and Indonesia? A recent *New York Times* article by David Barboza, already discussed in *CAP*, sought to discover the origins.<sup>16</sup>

Every nation wants to be portrayed as progressive, environmentally conscious, a good place to do business, culturally significant and friendly. No national branding programme will succeed if the image does not stand up to scrutiny.<sup>17</sup> Logically, the easiest foundation is to base the programme on national culture, the strongest differentiator.

In brief, where the country of origin is not at odds with the product category, there are grounds for saying that the former can be used for marketing the product.<sup>18</sup>

If nine of the top ten brands are American, then American culture is bound to influence the practice of branding in some way. It has already influenced short-term selling: "buy American" and patriotic slogans were overused by corporate America after September 11.<sup>19</sup> Diane Brady

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14. Selirio: 'Philippines has to work on "branding" the nation', INQ7.net, October 23, 2001, <[http://www.inq7.net/bus/2001/oct/23/bus\\_7-1.htm](http://www.inq7.net/bus/2001/oct/23/bus_7-1.htm)>.

15. Oram: 'Brand New Zealand', *Unlimited*, December 2001, pp. 41–5.

16. Barboza: 'When golden arches are red, white and blue', *The New York Times*, October 14, 2001.

17. For an example of this, see Roberts: *Vision for New Zealand*. Address to the Resource Management Law Conference, Auckland, New Zealand, October 6, 2000. Roberts argues that the New Zealand "clean, green" image is bound to fail: 'The way we market ourselves internationally should be honest and engaging, about who we are and not some fantasy. ... "Pure" is at odds with reality.... Agricultural pollution, chemical fertiliser run-off into rivers and coastal zones, toxic waste, air pollution in down-town Auckland exceeding World Health standards, failure of most exporters to meet international environmental standards and so on.'

18. Jaffe and Nebenzahl, op. cit.

19. Brady: 'Patriotic ads—and minuses', *Business Week Online*, November 8, 2001, <[http://www.businessweek.com/bwdaily/dnflash/nov2001/nf2001118\\_7193.htm](http://www.businessweek.com/bwdaily/dnflash/nov2001/nf2001118_7193.htm)>.

recently wrote, 'Everything from bed sheets to underwear is suddenly boasting images of Old Glory,' and General Motors adopted its 'Keep America rolling' tagline.<sup>20</sup>

However, since the United States is so diverse—the author recently stated that it would be accurate to say 'As American as chop suey,' in light of where the dish was first served—what binds her many cultures together?

Since September 11, the United States has taken the opportunity to cultivate alliances. This is a healthy move, because it sets an example for others. With her isolationists silenced, the US could possibly pursue a policy based around conservatism and federalism, respecting those nations that do not have power, leading the world in a more democratic fashion and, as pointed out by John Lewis Gaddis, consulting, rather than instructing, her allies.<sup>21</sup> Are listening and respecting (one's own and others') freedoms not the foundations of the American nation?

This more collaborative world atmosphere, based around listening, not dictating, can feed through to organizations that had been run through edicts from top management. With 1999–2000's many alliances and the rise in virtual working during this decade, a fairer method of decision-making might become more prevalent, sometimes out of necessity. The new awareness of overseas cultures, recently highlighted by the press coverage of the strikes on Afghanistan and the Bonn peace conference, and in some ways by the televised millennium celebration coverage, also plays a part in championing differences of others' cultures.

On a more everyday level, President Bush stressed to Americans in the wake of the attacks that Islam is a peaceful religion. By extension, the United States did not want her citizens to see any differences between themselves based on creed. The idea that the world is divided into the terrorists' ideals of a pure Islam and the "great Satan" of the United States is what drove the September 11 attacks. Unwittingly for the perpetrators, the attacks had set off greater unity amongst people.

To the author, it has further highlighted that unity does not come at the price of cultural destruction. The 2000s are likely to see globalization but within that context, the uniqueness of individual cultures will emerge. Each culture has unique aspects that can be claimed by anyone regardless of colour or creed as part of a shared human heritage or experience, rather than exclusively held on by one narrow group. The fashion industry has been doing this for decades and is likely to continue. Most recently, Swedish fashion labels H&M and BC Company showed collections inspired by American ranch life and Latin flair.<sup>22</sup> The result is often enriching, although it can bring accusations of parody or that it was an unfaithful or insensitive execution.

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20. Ibid.

21. Gaddis: 'On leadership and listening', *Hoover Digest*, winter 2001, pp. 84–94.

22. Knol (ed.): 'A frilling spring', *Lucire*, December 5, 2001, <<http://lucire.com/2001/1205fe0.htm>>; Knol (ed.): 'Down home in Sweden', *Lucire*, November 25, 2001, <<http://lucire.com/2001/1125fe0.htm>>.

## How Swede it is

On the face of it, the European Union does not appear competitive. Crainer, citing the European High Level Expert Group on the Intangible Economy finds that ‘the US environment is at least 100 per cent more attractive than the [European] Community.’<sup>23</sup> Many German companies have embraced American management techniques and even floated on the New York Stock Exchange. However, branding is a discipline that often disagrees with economics and finance: it is based more on consumer behaviour and has regularly produced economically unexpected results.

Crainer examines Vin & Spirit AB, a state-owned former monopoly that owns the successful, high-profile Absolut, the fifth-largest spirits’ brand worldwide. ‘V&S has succeed largely because of its commitment to being boldly different. ...

‘Senior management at V&S say state ownership is really irrelevant in assessing the dynamics that drive this company,’ he reports.<sup>24</sup>

Hardly the sort of behaviour commonly associated with a state-owned enterprise.

Göran Lundqvist, Absolut’s CEO, believes that Sweden has succeeded because there has always been a start-up management style<sup>25</sup> and an international perspective, well before Silicon Valley began its dot-com rise. When the internet did come, the country’s ventures seem poised. Export nations are treated as home markets, although few could argue that Absolut does not bring “Swedishness” into its marketing. There is no sanitized, dull “global” culture to Absolut’s imagery, but daring and risk-taking understood across its markets.

Sweden’s small size gives her an advantage as her many companies must look toward export markets for greater success. A similar phenomenon was found by the author in his analysis of Australian and New Zealand dot coms.<sup>26</sup> Crainer rightly points out that this helps overcome national stereotypes, leading to a new set of management skills that are suited to the global market-place.

The concepts hardly seem radical so it is a wonder that not more companies practise them. The start-up management style means no hierarchies and consensus, something that can be achieved today through virtual means. A company can become more democratic because intranet technology is available to tally votes on an issue, for instance. It minimizes internal opposition, allowing an organization to present a more consistent face to its publics—one of the necessary antecedents in best-practice branding.<sup>27</sup>

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23. Crainer, op. cit., p. 3, citing the European High Level Expert Group on the Intangible Economy: *The Intangible Economy: Impact and Policy Issues*. Luxembourg 2000.

24. Ibid., at p. 5.

25. Something that New Zealand, with its high entrepreneurship index, could easily adopt. See Frederick and Carswell: *Global Entrepreneurship Monitor New Zealand 2001*. Auckland 2001.

26. Yan: ‘Online branding’, op. cit.

27. Yan: ‘The business of identity’, *CAP*, vol. 4, no. 3, spring 2000, pp. 4–10, 22.

Other adventurous ideas have emerged from Sweden. Management consultant Stefan Engeseth put forward an idea about serving Coca-Cola and milk directly to consumers' homes, a year before that company trialed it in New York. The first English edition of his *Detective Marketing*<sup>28</sup> advocated marketing consistency and being at 'one' with consumers, bringing them in to the development process or the culture. A milk brand, for example, may find that urban consumers have no conception of its use of a cow for its imagery, so a park could be converted into a make-believe farm. When Ericsson did its product placement in the James Bond film *Tomorrow Never Dies*, why not, he asked, have the firm send text messages to buyers, telling them to pick up a secret package (a free gift) at their local retailer, getting them in to the movie's spy culture? For his concept of 'one', Engeseth uses Napster<sup>29</sup>—an example where users have formed an organic structure which could, conceivably, run the company—and *The Late Show with David Letterman*, where the audience plays a part in shaping each episode.

Perhaps the roots of this can be found in Grönroos's words:<sup>30</sup>

An integral part of service marketing is the fact that the consumption of a service is *process consumption* rather than *outcome consumption*, where the consumer or user perceives the service production process as part of the service consumption and not only the outcome of a that process as in traditional consumer packaged goods['] marketing.

Engeseth's ideas are radical 2000s' evolutions of the services' marketing tradition.

He also advocates an idea related to the author's "moral globalist": companies can work for global advancement, rather than corporate finances. The author had noted, in his article, Hennes & Mauritz's quick response to the hint that it had used sweatshop labour.<sup>31</sup> The arguments for that have been discussed elsewhere but the caring global organization's emergence in the 2000s is more than likely.

It is not Sweden alone, but other Scandinavian countries such as Finland, considered the most globally competitive by the *Global Competitiveness Report 2001* (Sweden comes in at number six; Denmark is eighth).<sup>32</sup> Finland also leads the World Economic Forum's growth competitiveness table, with Norway sixth and Sweden ninth.

Relationship marketing made possible through databases, being not just one-on-one with consumers but one *with* them and a moral edge—in fact, the use of honour as a differentiator—are the northern European forces that will evolve the branding model.

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28. Engeseth: *Detective Marketing*. Stockholm 2001.

29. Ibid. He is careful to note that his example does not take into consideration Napster's copyright issues.

30. Grönroos: 'The relationship marketing process: interaction, communication, dialogue, value', *Second WWW Conference on Relationship Marketing*, 1999, <<http://www.mcb.co.uk/services/conferen/nov99/rm/paper2.html>>, citing Grönroos: 'Marketing services: the case of a missing product', *Journal of Business & Industrial Marketing*, vol. 13, no. 4–5, pp. 322–8.

31. Yan: 'The moral globalist', op. cit.

32. World Economic Forum: *The Global Competitiveness Report 2001*. Oxford 2001.

## Crouching dragons

In the same report, Singapore is fourth on growth competitiveness and tenth on current competitiveness. The author believes that Singapore represents one of the few examples of Confucian business tradition.<sup>33</sup> That city-state, South Korea, the Republic of China (Taiwan) and Japan<sup>34</sup> may be better exponents of this very Chinese concept than the People's Republic. It would, therefore, be useless for brand strategists to begin with Communist China and discern ideas about face from her; it makes more sense to examine democratic nations for that. As organizations marketing into Asia have been doing that for many years, Chinese WTO entry is unlikely to change the profession. On the competitiveness tables, the PRC slipped from 44th to 47th last year though its growth competitiveness improved by one place to 39th.

Communist China's entry into the World Trade Organization in late 2001 gave some commentators cause for celebration. Lee's headline in *The Examiner* in San Francisco summed it up: 'Is China burying communism for good?'<sup>35</sup> Lee feels that WTO scrutiny will force her to abide by market capitalism.

But without proper reforms within the People's Republic, such as the acceptance of press freedoms and human rights, organizations will always feel at risk in pursuing her 200 million consumers wholeheartedly. There are indications little has changed since Pye wrote *The Chinese Negotiating Style*<sup>36</sup> and usually involves the market entrant kowtowing due to fear of offending the Chinese. The Chinese position seems to come from a knowledge that it has access to consumer numbers that the entrant wants. But negotiations in Communist China, even political discussions which the author has attended, are not about preserving face. It can be about the exploitation and reinterpretation of a contract in the others' favour; hardly a "Chinese" or Confucian concept about fairness and a mutual exchange of duties.

In the wake of September 11, it is easy to forget the US Navy's EP-3 incident of June 2001. In the dispute surrounding the air-traffic accident, the PRC considered a stretch of airspace her own, while most of the world regarded it as international. Internally, Chinese media propagandized how the Chinese air force merely defended the nation's territory.

It is not unreasonable to expect that long-term commercial potential to be unlocked only when other elements of a democracy are put in place. Yet trade negotiators in the area of policy are scared to point out Communist China's human rights' or environmental record. They fear pointing out, unlike the author on one occasion, her alleged assistance with weapons' programmes in questionable states. Corruption is not addressed by them, leading to scepticism about just how privatized the People's Republic's state enterprises have become. What of the

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33. Yan: 'Individual free will: the real reason behind the Asian tigers' success', *CAP Online*, June 13, 1997, <<http://jyanet.com/cap/0613fe0.htm>>, based on unpublished papers on Confucianism in Asian business and the jurisprudence behind Confucianism.

34. Japan, through its incorporation of Confucian principles into Shintoism around the sixth century.

35. Lee, op. cit.

36. Pye: *The Chinese Negotiating Style*. Westport, Conn. 1992.

46 million workers apparently shed in economic reforms<sup>37</sup>—has this led to greater disparity between the haves and have-nots?

If Beijing is prepared to have negotiators run risks with their own nations, then it is “Chinese” to expect that the other party runs the same risks. Sadly, this expectation is unreasonable as is the hope that economic progress will bring democracy and human rights: all need to be addressed at the same time if all sides are to benefit. The author includes not only western commercial interests succeeding in the market when per capita GDP rises in the People’s Republic, but the welfare and strength of the Chinese nation.

The author hopes that trade liberalization does bring freedom and affluence to the People’s Republic. Similarly, the author states that there are ethical Chinese negotiators who are keen to preserve face. But the techniques continue to be clouded by the entrants who go in with promises of huge markets and find financial difficulties afterwards, because of a fear of walking away from earlier negotiation stages. If the corporate market strategy for China cannot be certain, what chance is there of refining the marketing and branding strategies? The only solution for the marketer is to turn to Hong Kong, Taiwan, Malaysia and Singapore, where there are Chinese populations and a greater preservation of traditional behaviours. The marketer might even learn about selling to Chinese Americans, for instance: with the proliferation of Chinese-language media in the United States and noticeably different buyer behaviours.<sup>38</sup> These studies have been done for some time and they are not likely to increase in quantity in the short term.

The uphill battle faced by entrants in doing business with Communist China does her citizens no favours. Products will be mistargeted, sold with western influences, not Chinese ones. Home brands have the advantage, undermining the optimism of Lee’s headline. Of the top 10 brands in Communist China, seven are domestic. Only McDonald’s (seventh), Coca-Cola (ninth) and KFC (tenth) made it in to the table.<sup>39</sup> The Chinese prefer to buy from firms that appear domestic so global, foreign brands may be in for a tough ride.<sup>40</sup> Hence, automobiles often bear Chinese names, such as the French-designed, Chinese-market Citroën ZX which has Chinese-language badging. The PRC has not really globalized and her human rights’ and environmental records are testament.

Ogilvy & Mather’s Lily Pu states that the People’s Republic has a non-homogeneous population so her citizens should be thought of as consumers.<sup>41</sup> Second, she predicts a rise in customer-relationship marketing and credits domestic brands’ success to application of this

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37. Thomas: ‘China: Asia’s super-tiger’, *The Globalist*, October 19, 2001, <<http://www.theglobalist.com>>.

38. Merrefield (ed.): ‘Marketing for Diversity’, *Brand Marketing*, July 2001, pp. 6, 21.

39. *The Gallup Survey of Consumer Attitudes and Lifestyle Trends in China*. Princeton, NJ 2000.

40. Pu: ‘Promoting and protecting the brand in post-WTO China’, *AdAge Global*, November 12, 2001.

41. Ibid. Pu addresses the demographics. Another useful viewpoint is from Fang and Kriz: ‘Cross-cultural challenges to the IMP paradigm: evidence from Chinese markets’, a work-in-progress paper presented at the IMP conference, Bath, England, September 7–9, 2000. The authors state that there is a stereotype that most Chinese are of han descent, which is akin to assuming Czechs and Slovaks or that southern and northern italians are the same. The author believes that the Fang and Kriz paper is valuable and ahead of its time, but its main topic is outside the scope of this paper.

and other western management styles.<sup>42</sup> The author believes that the Chinese consumer is more likely to move toward existing models found in other parts of Asia.

As for the Chinese state, its greatest triumph will come from the rediscovery and application of Confucian principles. True freedoms enjoyed by the Chinese citizen will reflect well upon the government. It could encourage unification—Beijing's want for years and, for a time after 1949, Taipei's. WTO is only a tiny step, inconsequential to the branding debate this decade. In 10 years' time, branding strategists can think again.

### **Cross-media influences**

The last few years have already seen the web aesthetic influence print and television design and vice versa. The author believes strongly that cross-media influences will continue to affect branding, but more at the research and exposition stages. Visions will be set with some awareness that they will be used across media, but cross-media phenomena (e.g. potential customers examining a web site prior to making a decision about a product) are not expected to shift them radically.

The rationale lies in an earlier paper on online branding,<sup>43</sup> where the author concluded that consumer behaviour had not really changed: consumers still demand trust. While there were behaviours in each firm in that study that were arguably more entrepreneurial (the start-up management style alluded to earlier), vision-setting remained broad, adaptable and not differentiating brand strategies for each medium. Similarly, visions are not generally altered just because the organization begins to have a television presence after years of working in print. For the brand strategist, cross-media influences are mostly confined to later stages.

### **The identity and branding model in the 2000s<sup>44</sup>**

The key change to identity and branding is inclusiveness. By bringing new cultural influences, adopting more of the behaviours of the Nordic school, taking opportunity of the foreign policies of the United States and her allies and being open to more radical ideas such as those outlined by Engeseth, vision-setting can be more accommodating, global and allow for shifts in the market-place. The proliferation of media and segmentation of markets continues to speed up and organizations need to remain poised to capitalize on new opportunities.

The Nordic school, with its iterative theories, can be less financial and more attitudinal, also fitting with branding developments, including Olins's thought that brands can be

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42. Ibid.

43. Yan: 'Online branding', op. cit.

44. Refer Yan: 'The business of identity', op. cit., and the model republished in Yan: 'Online branding', op. cit.

differentiated through “attitude”.<sup>45</sup> Attitude, particularly in retail staff behaviour, will be a common thread in products that are customized, e.g. with the personal styles that can be expressed at Ikea.

The “moral globalist”<sup>46</sup> will play an important role in the 2000s, especially after Klein’s analysis of the branding world<sup>47</sup> which has been the discipline’s greatest recent wake-up call, in the author’s opinion. If brands have become ubiquitous as Klein says, where can differentiation be made? Scepticism needs to be countered through honour, particularly with more knowledgeable consumers who can see through “spin” and marketing gimmicks and information availability (especially in developed countries).

That need for substance pushes organizations to learn more. By welcoming inputs from across an organization regardless of location, department or market, it can create more properly defined visions. The 2000s organization should even welcome a willingness to admit mistakes from which it can learn.

Of course, a lot of the start-ups have been doing this from the beginning with their flatter structures and tighter networks. Larger organizations will want to adopt these behaviours. As more virtual organizations are founded, these networks will grow in number along with these vision-setting techniques.

Research is likely to become more efficient, thanks not only to technological developments but from a desire to be inclusive. Cross-divisional, global research is becoming more possible—it is only when representatives from across the organization at different levels are included that brands can be planned.<sup>48</sup> With the United States’ soul-searching, practices from other units can emerge. But as stated above, the author does not see Chinese WTO entry as affecting the quantity of research much. Nonetheless, this points to greater globalization.

The way a brand is exposed to its audiences depends on whether an organization is aligned to global branding or local branding, pluralism that will continue in the 2000s. Both are right, depending on the organizational vision, culture and markets. However, the author believes the rationale for the former will grow stronger because of the earlier processes—branding is the result of vision-setting and research, not part of them. It will also grow stronger with audience members’ travel, which is why a Ford print advertisement in England does not look different to one in Germany. While product positioning may differ across nations—for example, Ford’s Galaxy minivan is regarded more as a luxury vehicle for business users in England than on the Continent—it seems wise to have a global foundation (which could include the marketing collateral’s look and feel and all cross-media considerations) on which local adaptations are made.

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45. Yan: ‘The attitude of identity’, *Desktop*, October 2000, pp. 26–31.

46. Yan: ‘The moral globalist’, *op. cit.*

47. Klein: *No Logo: Taking Aim at the Brand Bullies*. New York 2000.

48. Yan: ‘The business of identity’, *op. cit.*

The Ford Motor Company is a good example of a company incorporating the cross-media considerations across all its European web sites, print advertising and television commercials for its Ford brand.

This saves costs on conceptualizing individual campaigns in each nation. Such foundations become possible because of the inclusion of more inputs.

This inspires greater brand equity, a consequence of the earlier stages having been done well, and stronger business performance.<sup>49</sup>

### **Predicting the unpredictable**

Predictions come with one major problem: there are unpredictable events. Engeseth's thinking outside the square tries to minimize that; the author's moral globalist is founded on a premise that differentiation can weather huge shifts in the economy when founded on honour.

September 11, 2001 perhaps highlighted how shocking major events can be for a planet; it was the opposite to the celebration of December 31, 1999–January 1, 2000. Organizations need to be prepared to act quickly on their feet. Sometimes, they only have themselves to blame when trend forecasting is ignored or a significant event, regarded as insignificant, is ignored and not reported to top management. There may still be faults in interpreting data when there is greater inclusion and visions may be strategized incorrectly, but the awareness of certain aspects can steel an organization's brand to at least some small degree. The objective for today's brands is finding that lasting attitude—the only real change in the early 2000s is the context of how this is done. September 11, 2001, though not the day these changes began, may be the visible milestone of this contextual shift to future historians.

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49. With the conditions outlined in *ibid.*; *q.v.* Aaker, *op. cit.*

### About the author

Jack Yan founded Jack Yan & Associates, JY&A Consulting's parent company, as a virtual firm in 1987. A graduate of Scots College (where he was *Proxime Accessit*) and Victoria University of Wellington (BCA, LL B, BCA (Hons., 1st class), MCA), Jack is regarded as an authority in the areas of branding, identity, typography and cross-media branding, speaking and writing worldwide on these topics.

At JY&A Consulting, Jack's focus is examining branding and global business, including how smaller firms can leverage their intellectual capital applying an international marketing strategy. His master's thesis proved a connection between organizational vision and business performance through best-practice methods, which are now applied to many JY&AC clients. Recent research includes an examination of the success factors for online firms in Australasia, touching on cross-media concerns.

Client firms include insurance brokerage Willis, UNICEF, Electricity Corp. of New Zealand, Colgate-Palmolive, SANE Australia, Colonial, Knight Ridder, Victoria University of Wellington, and numerous non-profit organizations. He developed the *Lucire* brand from 1997, now one of the world's leading pure-play online fashion titles.

Jack Yan has a reputation of taking all his firms to leadership positions.

He is a regular columnist for *Desktop* magazine in Australia and *Visual Arts Trends*, and formerly contributed to UK design titles, *DZ3* and *Fontzone* (1998–2000). His articles also appear in *Les Temps Typographiques* (in French). Articles about him or his work have been published in *The New York Times*, *Desktop*, *Elle* (US and Taiwan), *The Washington Post*, *Harper's Bazaar*, *Pioneer Press* (St Paul, Minn.), *Access*, *Design Week*, *Vogue*, *IdN*, *Publish*, *The Sydney Morning Herald* and *The Evening Post* (Wellington, New Zealand) and broadcast on Saturn Television and the TV One network in New Zealand.

Jack Yan is a member of the policy institute, the Centre for Strategic Studies (CSS), Alliance Française, AGDA and advocacy group TypeRight (which he co-founded) and a former member of the Society of Publication Designers and the Sales and Marketing Executives.

His interests include the application of Confucianism in the context of global harmony and business, automotive design and international cultures.

He regularly travels and currently divides his year between the United States and New Zealand.

### About JY&A Consulting

JY&A Consulting (<http://jyanet.com/consulting>) is part of Jack Yan & Associates, an independent global communications company founded in 1987. Based in Wellington, Sydney, New York, San Francisco, London, Manchester and Tel Aviv, JY&A Consulting tailors solutions using researched business principles, based around the organization's vision and identity. The company specializes in identity, branding, marketing strategy and global strategy. Its clients have included small businesses, non-profit organizations and *Fortune* 500 companies. JY&A Consulting staff and alumni regularly contribute to the house journal, *CAP*, published in print, and online at <http://jyanet.com/cap/>.



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