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**Design  
Management  
Journal**

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Reprint #08032GRI21

This article was first published in *Design Management Journal* Vol. 3 No. 2

**Managing Design in Global Environments**

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# Simply Complex: An Historical Perspective on Why Western Methodologies Do Not Always Align with Asian Branding Issues

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## Introduction

The four little “dragons” of Asia (South Korea, Taiwan, Hong Kong, and Singapore) all benefited from the golden years of global economic expansion during the 1980s and 1990s. They constitute less than 1 percent of the world’s land mass and less than 4 percent of the world’s population. Yet, in the past four decades, they have become, with Europe and North America, one of the three great pillars of the modern industrial world order (Vogel, 2006).<sup>1</sup> Although China lagged behind these dragons, the world has recently witnessed her growth in vast leaps. Unlike other Asian neighbors disturbed by political turmoil and poverty (India, Vietnam, Cambodia, Myanmar, Laos), these Asian elites have managed to attract an array of foreign investments to establish manufacturing plants and regional offices. In return, they learned from this foreign contact, and are innovating and creating many regionally and globally renowned brands.

The past two decades of economic boom have required Asian corporations to pay more attention to branding in order to successfully expand beyond local markets and into the global arena. Yet the leading brands of the world are still predominately Western, and 15 of the top 20 from the *BusinessWeek* top 100 brands 2007 survey<sup>2</sup> are American. Despite this Western domination, Asian brands have fared well in recent years. Taiwanese brands, such as Acer, Dopod, and more recently China’s Lenovo, are making their marks in the computer market. Korean brands, such as LG and Samsung, are aggressively gaining global market share in the mobile communications sector. Hong Kong home-grown brands—Giordano, G2000, and U2—as well as Singapore’s Creative Technologies and Tiger Balm, are well

1. Vogel, Ezra F. (2006). *The Four Little Dragons: The Spread of Industrialization in East Asia*. (Boston: Harvard University Press).

2. *BusinessWeek*, “The Top 100 Brands,” August 6, 2007.

known brands among Asian consumers and among a broader audience.

Behind each of these, aggressive or subtle, collaborative or standalone, different branding and marketing strategies have been applied to stay competitive in their respective industries.

Stan Shih, chairman and CEO of the Acer group, attributes some of the problematic business growth for Asian companies and their brands to “the poor image of ‘Made in Asia,’ coupled with small domestic markets.”<sup>3</sup> The dominance of Western brands in Asia, according to Shih, has also led to limited market space for Asian companies to grow their brands.

Currently, the majority of branding methodologies and case studies are based on Western contexts, brands, and business models. Although the West has influenced Asia in many ways, insofar as culture and habits, Asia is not like the Western world, especially when we consider that understanding individual emotional needs and desires is the key to brand success. With the rise of Asian economies and living standards, brand building in Asia has become a subject to be taken more seriously by Asian and Western corporations.

The aim of this paper is to highlight the complexities of branding in Asia. It identifies current Western branding theories and areas of variation of the Western branding process that would better suit the five main Asian brand scenarios. Key factors that influence responses to brands in Asia are described. This involves reviewing the history of the global emergence of branding, alongside the recent developments in Asian and Western history and subsequent cultural nuances to set the scene. A brief survey of key Western theorists on brands and branding, methodologies applied by Western branding consultants and agencies, and a review of some Asian brand successes are included, as are anecdotes from the authors’ experiences as brand consultants, product designers, manufacturers, and distributors in Asia.

For the sake of reader and author, China, South Korea, Hong Kong, Taiwan, and Singapore will be referred to as *5A nations*; *Western* will refer to North America, United Kingdom, Australia, New Zealand, and European countries that have enjoyed social, economic, and political stability since the end of the Second World War; and *Asian* will refer to India, China, Japan, South

Korea, and Southeast Asian countries throughout this research paper.

### **The five branding scenarios**

The five branding scenarios relevant to this paper are:

1. Asian brands in Asian markets
2. Asian brands in Western markets
3. Asian brands in global markets
4. Global brands in Asian markets
5. Western brands in Asian markets

Of these five, numbers 3 and 5 are of greatest interests in this paper.

### **Factors influencing brands in these scenarios**

There are many factors attributed to brand success. Discussed below are factors that are particularly important to consider when dealing with our five branding scenarios.

#### ***Cultural/Social: Belief Systems and Superstitions***

These influencing factors can be built around religious or belief systems, superstitions, the importance of social status, class and caste divisions, national or local identity, language and its usage, symbolism, and traditional gender roles. De Mooij<sup>4</sup> calls these *cultural paradoxes* that can be difficult to identify, define, or measure, particularly by people outside the culture. Brands are physically represented through images, symbols, and sounds. Often these brand message conduits relate back to a cultural or social factor, such as linguistics, as illustrated by Li and Shooshtari (2003).<sup>5</sup> Another example is in the use of numbers.

The Chinese have used numbers and numerology to predict the future, interpret dreams, and justify superstitious beliefs and practices. Even sounds of numbers suggest good or ill luck. Modern generations still believe in associating numbers with one’s destiny. Numbers that appear in a dream or on a new car

3. Temporal, Paul (2001). *Branding in Asia: The Creation, Development, and Management of Asian Brands for the Global Market* (revised ed.). (Wiley).

4. De Mooij Marieke K. (2005). *Global Marketing and Advertising: Understanding Cultural Paradoxes*. (New York: SAGE).

5. Li F., Shooshtari, N.H. 2003. “Brand Naming in China: Sociolinguistic Implications.” *Multinational Business Review*.

number plate may be a significant revelation according to Lip.<sup>6</sup> Chinese businessmen, in particular, tend to avoid the bad in their businesses. In the context of branding, it is good to pay close attention to numbers and their meanings during the branding process. Examples include Club21, M1, G2000, U2, and Hotel 81.

Some numbers are considered to be good because of their associations, symbolism, or what they sound like.

1 is the beginning of all things.

2 is divisible but also symbolizes reinforcement. Cantonese like this number because it sounds similar to the character 易 yi, which means easy.

3 sounds similar to the character 升 sheng, which means rise, increment, promotion.

6 sounds similar to the character 禄 lu, which means good luck.

8 sounds similar to the character 发 fa, which means multiply.

9 sounds similar to the character 久 jiu, which means longevity.

On the other hand, some numbers are considered to be bad.

4 sounds similar to the character 死 si, which means death.

5 sounds similar to the character 无 wu, which means nothing or none.

7 is associated with festivals such as death rituals and the Hungry Ghost Festival of the seventh month.

Many Western cultures also have good and bad numbers: the number 7 is good luck, 666 is considered evil, and 13 is bad luck. In global brand contexts, therefore, a 7 could easily send mixed messages to the market.

While Westerners may view these beliefs as trivial superstitions, they should be taken seriously in the context of Asian branding. Many buildings in Singapore, Taiwan, and Hong Kong do not have a fourth floor listed due to bad associations with the number. Also, some buildings and environments are designed specifically using the principles of Feng Shui to achieve specific outcomes of power, wealth, status, and so forth,

as described in detail by Lip.<sup>7</sup>

Visual components are used to build the graphic representation of brands (see Hendersona, Coteb, Leong, and Schmitt [2003]).<sup>8</sup> Bold images generate strong emotional responses by stimulating our visual senses (Gobé, 2001),<sup>9</sup> and color association is very strong in most successful global brands—for instance IBM, Coca Cola, American Express, and McDonalds. Historically, yellow is a royal color to the Chinese (yellow robes worn by the emperors of the two ancient Chinese dynasties in Figures 1<sup>10</sup> and 2<sup>11</sup>), but can symbolize the Golka Political Party in Indonesia or emergency/hazard in Western contexts. Similarly, other colors have various meanings.

While red in the West means stop or danger, it is an auspicious color to the Chinese. For



Figure 1. Emperor Yung-ch'eng, Ching Dynasty.



Figure 2. Emperor XiZong, Ming Dynasty.

6. Lip, Evelyn (1992). *Chinese Numbers: Significance, Symbolism and Traditions*. (Times Editions).

7. Lip, Evelyn (1995). *Feng Shui: Environments of Power: A Study of Chinese Architecture*. London: (Academy Editions).

8. Hendersona, Pamela W; Coteb, Joseph A; Leong, Siew Meng; and Schmitt, Bernd (2003). "Building Strong Brands in Asia: Selecting the Visual Components of Images to Maximize Brand Strength." *International Journal of Research in Marketing*, Elsevier.

9. Gobé, Marc (2001). *Emotional Branding: The New Paradigm for Connecting Brands to People*. (New York: Allworth Press).

10. Picture source: <http://www.4dw.net/royalark/China/manchu8.htm>.

11. Picture source: <http://www.chinapage.com/emperor/ming1113.html>.

instance, during Chinese New Year, red fire crackers are fired off, children receive red packets, and Chinese couplets are written on red paper (Figure 3<sup>12</sup>). However, in Taiwan, due to political issues with China, Taiwanese tend to relate red to China and hence to communism. However, if a Taiwanese brand is green, it may not be well received in China because it is the symbolic color of the current ruling party in Taiwan. White in the West brings to mind purity. However, the Chinese associate the color (as with black in the West) with death and funerals (Figure 4<sup>13</sup>). One author has faced many incidents in which clients specifically request that black be avoided in the process of branding.

Along with color and image, the name of a



Figure 3. Chinese New Year decorations.



Figure 4. A Chinese funeral procession.

brand is important. As with numbers, various sociolinguistic and phonetic interpretations are possible for brand names, sometimes resulting in undesirable or counterproductive associations. Decisions about naming a new brand to accommodate the possibility of its becoming a global product or about introducing an existing brand name into a foreign market become important and complex. Hong, Pecotich, and Shultz (2002)<sup>14</sup> discuss the five options available in the naming process in relation to translating Western alphabetic names (for instance, in English) into appropriate names in such languages as Mandarin.

It is important to note that just as Western markets are not culturally homogenous, neither are Asian markets. Both authors have had experiences with Western-based companies that have made the erroneous assumption that a brand can be treated the same in all Asian markets.

#### **Historical Considerations**

Often, historic incidents can affect a brand. One author had experience introducing to Japan a sports brand that had been successful in Western and other Asian markets. There was much resistance to the brand despite the product being of equal quality, style, and value to other brands. This was due to the name of the product, which included the word monkey, a derogatory term used to describe Japanese by American troops during World War II. The product has since been relaunched under a new brand name in Japan and has been successful.

#### **Political Considerations**

A stable political climate favors business and business growth as it promotes local and foreign investment, along with national commercial and individual economic prosperity (and hence the population's ability to consume). The political structure of a country can determine the ease of entry into markets for new brands. A functional democratic political system favors branding as,

12. Photo credit: [www.chinapictures.com](http://www.chinapictures.com).

13. Photo credit : [www.chinapictures.com](http://www.chinapictures.com).

14. Hong, F., Pecotich A., Shultz C.J. II. (2002). "Brand Name Translation: Language Constraints, Product Attributes, and Consumer Perceptions in East and Southeast Asia," *Journal of International Marketing*, vol. 10, no. 2, p. 8.

in theory, there should be no protectionism. In another scenario, for instance, a relative of a person in a powerful political position might have rights to distribute brand X. He lobbies to ensure that other brands that could compete against brand X cannot enter the market.

Asia has given birth to numerous diverse civilizations with rich cultures and heritages tracing back thousands of years. Recent Western colonization and periodic local invasions are principal events that determined the modern history of many Asian nations. These factors have precipitated various national, political, economic, and social upheavals, including revolutions, more invasions, and civil wars. Commonwealth countries—Singapore, Malaysia, and India—were colonized for centuries, only to attain independence after the end of World War II. More recently, Hong Kong and Macau have been returned to China. Rebuilding war-torn infrastructures for decades after the war and other upheavals made Asia a late bloomer in terms of economic growth compared with more-stable Western nations, and thus a late consumer of brands.

The Cold War contributed to unrest and instability in the region, as did the rise of communism in the 1950s and the 1960s. These factors led to civil wars in Korea and Vietnam.<sup>15</sup> In 1949, Jiang Kai Shek, then president of China and leader of the Koumintang (KMT) fled to Taiwan when he lost the civil war to his communist arch rival, Mao Zhedong.<sup>16</sup> Since then, Taiwan has enjoyed a fast growing and relatively stable economy. China, on the other hand, as detailed by Anholt (2003),<sup>17</sup> did not enjoy the same growth until it emerged from its social, political, and economic slumber in the late 1990s and early 2000s.

### ***Economic Considerations***

Modern branding success requires consumer confidence and spending ability. Interbrand argues that most top brands are American because “the rise of consumer-product brands in the United States after the Second World War was ... a response to prosperous times.” Goods were plentiful, and choice, in the form of brands, was apparent on shelves across the country. Brands and branding practices in the US “became more sophisticated through brand and

line extensions, corporate identity programs, and pitched advertising wars that were waged throughout the 50 states and the world.”<sup>18</sup> Consequently, the US led Western nations in developing and revolutionizing the concept of branding concurrent with the rise of the consumer’s buying power, while most of Asia struggled to attain basic daily needs and experienced constant political uncertainty. As the 5A nations became wealthier as a result of stable political and economic systems, which in turn attracted and promoted industrial development and investment, individual consumers gained greater spending power and as a result, branding has been able to proliferate in their markets, just as it has in the Western context.

### ***Experience with Modern Branding and Its Communication Tools***

The concept of branding is not new to Asian consumers. Branding to ensure the quality of a product’s craftsmanship arguably arose earlier in Asia than in the West. Bricks in Imperial Chinese constructions of tombs and temples built more than 2,000 years ago carried brands in the form of identifying marks that enabled the court to trace the manufacturer, foreman, and even the worker who made the bricks so that the individuals could be held accountable if the bricks failed in their service to the emperor. Branding to communicate power, position, and authority can also be found in cultures of Asian antiquity represented in styles of clothing, such as in the uniforms of guards, soldiers, and courtiers; in the colors worn—for instance, yellow for the Chinese emperor—and in symbols in art, architecture, and design.

Modern Western branding communication tools have grown increasingly sophisticated since the 1950s. Western consumers have for generations been exposed to a greater sophistication of brands and to the evolution of branding, and

15. Murphey, Rhoads (2004). *History of Asia* (5th ed.). (Longman).

16. Fenby, Jonathan (2004). *Chiang Kai Shek: China’s Generalissimo and the Nation He Lost*. (Carroll & Graf).

17. Anholt, S. (2003). *Brand New Justice: The Upside of Global Branding*. (London: Routledge).

18. [www.interbrand.com](http://www.interbrand.com).

they have developed ways of filtering and rationalizing brand communication. Sophisticated responses are due to better education, greater spending power, and better lifestyles than ever before.

Some Asian countries have been late in developing this level of individual prosperity, education, and lifestyle; consequently, their consumers are less experienced with brands and interpret brand messages more literally than their more-experienced Western counterparts. This needs to be considered in Asian branding contexts.

#### **Consumer Access to the Brand Message**

Consumer access to brands and information is key to commercial success. Prior to broad-ranging access to the Internet and to other digital technologies, such as mobile phones and SMS, some brands, for political or cultural reasons, could not get their messages into certain markets. Now there are relatively low-cost, high-volume, easily targetable, and personalizable communication tools that can be used effectively to reach consumers. The challenge, according to Lynch and Beck (2001),<sup>19</sup> is to ensure the message is targeted and relevant to the *desired* consumer.

#### **Business Structure and Culture**

Asian corporations are typically different from their Western counterparts in scale and diversity of product range. They often develop as trading companies and multi-purpose conglomerates and have a comparatively more highly developed social/community role compared with their Western counterparts. Historically, the companies themselves, rather than the products or services they produce, have distinct personality attributes. Even today, while Western companies are busy learning corporate responsibility, many Asian companies are just beginning to be aware of the need to apply many basic product and service brand-building principles learned from the West.<sup>20</sup>

#### **Western thinking on branding**

##### **Evolving Branding**

Western branding in the nineteenth century was used to assure quality. Branding was used to raise the confidence of the masses to purchase factory mass-produced commodities. "By adding the human element to the product, branding put

the nineteenth century shoppers' minds at rest."<sup>21</sup> Twenty-first century branding has evolved from marketing to perception building.

##### **VentureRepublic**

"Brand is a name, term, sign, symbol, association, trademark, or design intended to identify the products or services of one provider or group of providers, and to differentiate them from those of competitors." "A brand is a face that your customers would be able to differentiate from your competitors." It has "functional and emotional elements which create a relationship between customers and the product or service." It is a relationship-building process to ensure customers' loyalty to you.<sup>22</sup>

##### **Marc Gobé**

"A brand is brought to life for consumers first and foremost by the personality of the company behind it and that company's commitment to reaching people on an emotional level."<sup>23</sup>

For some, brand can be easily mistaken for a logo, causing the misconception of branding as merely changing the logo, corporate mark, or slogan.

##### **Paul Temporal**

"The consistent use of a brand name, symbol, or logo makes the brand instantly recognizable to the consumer, and can bring to mind the personality of the brand, and its associations... the visual element of design is an important aspect of branding, (however), it is insufficient on its own to make the brand a strong one." "Branding is essentially based on the principle of satisfying the needs of consumers."<sup>24</sup>

##### **Marty Neumeier**

"A brand is not a logo but anything that contributes and affects a brand ...". "Brand is not

19. Lynch, P.D., Beck, J.C. (2001). "Profiles of Internet Buyers in 20 Countries: Evidence for Region-Specific Strategies." *Journal of International Business Studies*, vol. 32.

20. Blair, Mark; Armstrong, Richard; Murphy, Mike. (2003). *The 360 Degree Brand in Asia*. (John Wiley & Sons).

21. Haig, Matt. (2003). *Brand Failures*. (London: Kogan Page).

22. www.venturerepublic.com. www.pbs.com.

23. Gobé, Marc (2001). *Emotional Branding*. (New York: Allworth Press).

24. Temporal, Paul (2001). *Branding in Asia: The Creation, Development, and Management of Asian Brands for Global Market* (revised ed.). (Wiley).

what you say it is, it is what they (consumers) say it is.” Logo is merely a symbolic representation or brand identity of a corporation, product, or service. The receiver is the factor that translates the brand image into an individual language of descriptions and perceptions.<sup>25</sup>

#### **New trends that have an impact on branding**

Temporal has marked out seven world market trends that have surfaced over the past two decades. Many of these affect directly, or have been precipitated by, the rise of Asian economies.

#### ***The breakdown of market boundaries***

- a) New technology propels companies to move into markets that were previously unknown or inaccessible.
- b) International legislation—for example, initiatives of the World Trade Organization and the ASEAN Free Trade Area—will ensure that trade protection is an anachronism, adding considerable pressures to Asian businesses to fight more competitively with international giants.
- c) Strategic alliances offer companies global reach and access to new and distant markets.

#### ***Globalization and the development of global brands***

Globalization has led to more companies seeking to achieve a worldwide presence and, consequently, to the standardization of consumers’ buying patterns, with most people in most countries inclined toward similar products and services. This phenomenon has become a catalyst in the development of global brand strategies. Asian companies with limited domestic consumption are compelled to break into world markets in order to cope with increasing competition in their domestic markets from international brands. This requires them to develop globally desirable brands of their own.

#### ***Increasing market fragmentation***

Within the increasing standardization of buying patterns, there is a rising number of customer groups that identify themselves by their distinctive needs and wants. Although customers generally buy similar generic products and services, they are demanding these be tailored to their specific requirements. Companies have reacted by shifting from mass marketing to mass cus-

tomization. The Asian market is not generic. It comprises many cultural and ethnic groups, which contributes to the market fragmentation.

#### ***Product diversity and shorter lifecycles***

Riding on the speed of technological advances, product development is one reaction to competition and more-customized products. Subsequently, there is increasing difficulty producing a product or service that is enduringly different. While technological advances spur further innovation, leadership in product innovation is more difficult to achieve but easier to emulate and, therefore, short lived. Temporal highlights that some products now have lifecycles of a matter of months rather than years—for instance, personal computers, cell phones, and so forth.

#### ***Greater customer sophistication***

The increased standard of living and education level of consumers makes them more demanding in the exercise of their right to choose, and results in diminishing customer loyalty as they shift from local companies and products to more-powerful or attractive brands. This is particularly pertinent in Asia, where brand can communicate social status.

#### ***Digital business***

Moving into the digital age, companies must adapt to new ways of doing business, such as the Internet and other new marketing channels, which can affect relationships and associations with customers that use the old marketing channels. Some consumers prefer face-to-face interfaces and others prefer to be online.

#### ***Economic instability and market volatility***

Economic growth is becoming cyclical, rendering markets unpredictable. It is highly unlikely that companies will ever experience the long periods of stability of the past. Temporal emphasises that only powerful brand names will survive or be least affected by economic fluctuations.

Asian economies have suffered more than most from instability in recent years. For some time, the 5A nations have benefited from being OEMs (original equipment manufacturer) or ODMs (original design manufacturer) for

25. Neumeier, Marty (2003). *The Brand Gap: How to Bridge the Distance Between Business Strategy and Design*. (US: New Riders).

Western companies. As the living standards and incomes of workers in the 5A nations increased, the Western companies have begun to scout for alternative Third World manufacturers for lower-cost labor. To remain competitive, Asian manufacturers have started their own brands. Branding requires meticulous measures and attention to long-term goals; it should not be a strategy for short-term profit making.

### **Branding in the Asian methodology**

#### ***Examples of some successful Asian brands***

While some believe Asian brands are lagging behind Western brands, others think the former can never beat the latter in a global context. Western brands are working to ensure their brands last while Asian businesses are trying to get a foothold in the global market with new brands. The following are some successful strategies adopted by Asian brands.

- ***Acer: Avoid Price Wars***

Acer Computer has managed to break away from the Made in Taiwan image, which many Asian countries have associated with substandard products. When Acer entered the Japanese market, it priced its products on a par with Japan's to avoid developing a poor-quality image.

- ***Banyan Tree Hotels & Resorts: Determine Your Niche***

A role model for brand guardianship in a niche-market, Banyan Tree Hotels & Resorts were designed as a range of small and exclusive high-quality villa hotels offering the seclusion top-class hotels such as the Sheraton and Shangri-La groups could not provide. There was a niche-market position that could be seized and owned, and one where competition was limited.

- ***Singapore Airlines (SIA): Be Consistent in Your Brand Value***

Singapore Airlines (SIA) has relentlessly pursued two avenues of interest to customers—technology and service—while living up to its brand promise of “a great way to fly.” Customers prefer to travel with airlines that have a modern fleet, which satisfies their concern about safety. SIA has always taken the high-tech route and is one of the few world airlines to consistently buy the latest airplanes and products. Good service

extends beyond carriage to booking, check-in, waiting, boarding, and so forth.

- ***Samsung: Stay Competitive***

While others have tried to sell horsepower for the mass-PC market, Samsung has focused on niches commanding higher prices and fatter margins. “It’s like Samsung is operating a department store while other memory makers are running a discount store” (*BusinessWeek*, December 2002). Seventy percent of Samsung’s memory revenues come from specialty products, including graphics chips for game consoles, such as the Microsoft X-Box; high-density memory modules for ultra powerful servers from IBM, Sun Microsystems, and others; and flash memory chips for handheld computers, cell phones, and camcorders. Hwang Chang Gyu, president of Samsung Electronics Co.’s memory-chip unit notes, “We are different, we are living a nomadic life. We move on if other companies catch up.”

- ***Acer: Perception Is Reality***

Acer Computer manages its customers’ perception of the company as a major player through its international exposure. In 1998, Acer poured \$10 million into sponsorship of the Asia Games by donating its technology and equipment. Acer’s technology was accordingly recognized as having “perfect performance” by the 13th Asian Games Organizing Committee.

- ***Star Alliance, LG: Strategic Alliance and Co-Branding***

The Star Alliance offers airline partners global reach and access to new and distant markets. LG has taken a different strategy in creating fashionable cell-phones that compete with rivals on innovation and technology. One recent initiative was a collaboration with Italian goods maker Prada to launch the LGPrada Phone (KE850)—a high-end fashion phone.

### **There is no global consumer: The different mentality between East and West**

Only recently have Asian consumers begun to be studied in any depth. When global fast food chain McDonalds conducted a revamp of their branding, surveys were conducted only in Britain and the US because they are McDonald’s

26. Lindstrom, Martin (2005). *Brand Sense*. (London: Kogan Page).

largest markets.<sup>26</sup> Jane Perrin, managing director of ACNielsen Global Service, remarks that most successful companies understand there is no global consumer waiting for a global product.<sup>27</sup> “The world comprises local markets with different cultures, languages, and tastes.” Perrin further states, “Successful globalization begins with the recognition that a global strategy is really a collection of local strategies built around a common core. It is a strategy based on managing local diversity, while leveraging global strengths.”

A factor throwing more focus on Asian consumers, according to an ACNielsen report, is that “the number of households earning more than US\$30,000 is steadily increasing in the 5A nations. These increases sponsor increased consumer spending. The question arises: Do these households spend differently from Western ones? If you compare the Synovate<sup>28</sup> 2007 top 20 brands in Asia against the Interbrand/*BusinessWeek*<sup>29</sup> 2007 top 20 global brands, Asian consumers’ top three brand categories were food and beverages, communications, and personal items. Global consumers’ top brand categories were computer technology, automotive, then food and beverage, financial services, and communications. Different spending ability might drive this, or it could be more-complex factors, such as culture or social opinion.

Kevin Roberts, worldwide CEO for Saatchi & Saatchi, describes the Asian economies as, “tremendously dynamic, many countries have very young populations, and there is huge optimism and hope for a better life in the future. Many more millions of people here are engaging with brands. Asian brands have an amazing platform to head out and change the world.”<sup>30</sup>

### *The Ritualist*

Marcus Chan in his article, “The Ritualist Asian,”<sup>31</sup> reports that Asian consumer behavior tends to be more ritualized than that of the rest of the world, according to a new study by BBDO. This conclusion involved ethnographic research in 26 countries, with quantitative feedback from more than 5,000 people, as well as interviews with psychologists, nutritionists, and sociologists. “Chinese (96 percent) in particular were more prone to have clearly fixed and sequenced morning routines, followed by Indians (90 percent) and Japanese (77 percent).

The global average was 79 percent. The study also revealed that Chinese (92 percent) and Indians (82 percent) were the most likely to get irritated if their rituals were disrupted—the global average for this category was only 69 percent.” The advantage of this information, according to Andy Wilson, regional planning director for BBDO SE Asia, is the challenge that marketers face trying to persuade consumers to adopt new behaviors of consumption during their day. Indeed, once your brand is accepted into the ritual, it will reap huge rewards.

### *Westernized Asians*

Frank Yu, general manager for the Multimedia Innovation Centre of Hong Kong’s Polytechnic University, in his article “The Tyranny of the Brand”<sup>32</sup> writes on the injustice of portrayals of local brand images in Hong Kong. Brands such as Giordano (Figure 5), Bossini (Figures 6 and 7



Figure 5. Image from Giordano.com.

27. [www2.acnielsen.com](http://www2.acnielsen.com).

28. [http://www.synovate.com/knowledge/infact/issues/200708/top100.html?email=\\$email\\$](http://www.synovate.com/knowledge/infact/issues/200708/top100.html?email=$email$).

29. [http://www.businessweek.com/pdfs/2007/0732\\_globalbrands](http://www.businessweek.com/pdfs/2007/0732_globalbrands).

30. Chan, Marcus. [www.marketing-Interactive.com](http://www.marketing-Interactive.com).

31. Chan, Marcus (2007). “The Ritualist Asian.” [www.marketing-interactive.com](http://www.marketing-interactive.com), June.

32. Yu, Frank (2002). “The Tyranny of the Brand.” [www.apmforum.com/columns/china-recon2.htm](http://www.apmforum.com/columns/china-recon2.htm).



Figures 6 and 7. Images from Bossini website.

on next page), and Baleno, all of whose brand names allude to the European origins of highly desirable brands like Prada, Gucci, and Armani, appear with visuals of “outright Nordic Caucasian or Westernized Eurasians.”

Yu says the images set the brands vividly apart from their targeted consumers. Even if those brands’ communications do feature Asians, “they will have the more aquiline and lighter skinned features of Northeast Asians and not the shorter, darker, and more ethnic features of Southeast Asian people, who abound in Hong Kong.”

Yu understands the value system Asians have for a foreign brand image and how it provides “consumers a fantasy around the product of quality and exotica through images of what successful people in foreign lands use and purchase.” If the products are foreign wines or foreign watches, they “should depict the main and original customer base of these products.” However to Yu, the tactic of the local brands is an “elevation of one ethnic group versus the implicit denigration of another.” He further elaborates the reality of constant battle between Western and local brands. In Asia, the percep-

tion of foreign products and foreign people as almost always superior to local is evident. This is more obvious in poorer Asian countries. Yu states the main difference between Asian and Western consumers is the inability “of cynical product skepticism and a critical facility to decode and deconstruct product messages derived from decades of being bombarded by modern advertising in the ‘West.’” The former, in his view, “are like newborns still in awe of the technology and their newfound prosperity. They place more literal emphasis on the messages advertising conveys than do people in the West. Which is why ads that depict an implicit inferiority of local culture and the superiority of global Western culture becomes problematic.”

The other factor that gives rise to such trends is that Hong Kong was a British Colony. “It was only in the ‘60s or ‘70s that the Chinese were allowed to join some of the British clubs or even live in certain neighborhoods within Hong Kong. Hong Kong society has always been stratified by the colonial structure so that even without a colonial ruler a hierarchy will still exist for decades to come.” The desire of the emerging Asian middle classes to be like Westerners leaves them “easy prey to media messages of rank and validation through consumer goods.”

Yu’s article addresses the ethics and morals of Asian branding. Like Hong Kong, many parts of Asia were once colonies of the West, generating a broad perception of Western brand superiority. In many cases, the Asian context of quality and beauty are deeply influenced by Western standards. Asian brands constantly struggle to establish themselves as equal to Western and global brands while retaining their heritage. Brand consultancies are filled with branding tasks to romanticize Asian brands in an effort to make them relevant within the global market. However, it is also a challenging task to pay attention to the ethical aspects of branding Asian brands, more critically when their products are uniquely Asian.

#### **Some issues for consideration**

The authors have been involved in branding projects across Taiwan, China, and Singapore, Thailand, Malaysia, Indonesia, The Philippines, and Hong Kong, and through researching this paper and reflecting on their own experiences,

raise some issues for consideration for the two main Asian branding scenarios.

***Western brands penetrating Asian markets***

Western companies generally have a poor understanding of traditional Asian beliefs and cultural perspectives when establishing their brands in Asia. Among the 5A nations, Singapore, Taiwan, China, and Hong Kong consist mainly of Chinese-speaking inhabitants. Although South Korea is the only non-Chinese speaking country among them, there is historical evidence that Korea was heavily influenced by ancient China in many ways.<sup>33</sup> In consideration of the length of this paper, the authors will generalize certain points that apply to all 5A nations.

***Actions to take when researching branding considerations in Asian markets***

- Visual components: Understand possible perceptions of the colors used.
- Sociolinguistics: Research what the brand could “sound like” in different markets to avoid inappropriate names, meanings, or associations.
- Symbolism: Ensure any symbols being used do not have contexts or meanings other than those you desire the brand to have.
- Numerology: If using numbers in the branding, consider the good and bad number meanings.
- Feng Shui: Are there any considerations you need to observe?

***Advise to Asian brands planning to go global***

- Undertake strategic branding exercises and use the results to determine any changes you need to make to your business model(s) to ensure the success of the branding activity.
- Challenge the belief that “Romanizing” brand names gives Asian brands an international look and feel. In some instances “Asianess” can be desirable to global markets. In others, the Romanization is not well executed and can reduce brand credibility.
- Understand the values of your brand before deciding what to retain or change.
- Find and retain qualified personnel to sustain your brand.

- Overcome a traditionally conservative mindset in Asian bosses that leads to doubting the effect strong branding could achieve. (In other words, be a branding champion.)
- Observe Lindstrom’s principles of emotional branding.
- Observe Gobé’s principles of emotional branding.

The authors concur that traditional Asian business models heavily emphasise tangible returns over intangible investment in branding. On the surface, Asian companies have begun to preach about branding. However, deep down, they have misconceptions and disregard the emotional impact brands can achieve in the long term.

The authors currently employ client education on the importance and value of branding strategically. The authors make arrangements with clients to pay visits to their offices or visit with them personally to speak on subjects of branding. The advantage of such an initiative is to synchronize both parties’ mindsets for a smoother, more constructive branding exercise. ■

*Reprint #08032GRI21*

33. www.pbs.com.