

NATIONAL BRANDING FOR NEW ZEALAND EXPORTS

developing
distinctive
meanings

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▶ Done right, an umbrella brand could act as a 'creator of meaning' for export businesses

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NEW ZEALAND'S economy is heavily dependent on exports. In 2008, merchandised exports amounted to \$43 billion, or 40 per cent of GNP. It comes as no surprise, then, that the successful marketing and branding of New Zealand and its exports is essential to the nation's economy.

Despite this, however, there has been little coordinated effort to develop a national umbrella brand for export marketing that would present a distinctive national identity and meaning. Beyond our romanticised pastoral heritage, New Zealand in many ways is invisible on the world business stage. By contrast, countries such as Germany, Italy, Switzerland and Japan have established international identities that give distinctive meanings to their export brands.



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Currently, New Zealand’s national branding relies heavily on the ‘100% Pure’ campaign developed by Tourism New Zealand.

This has been successful for New Zealand’s tourism sector and has generated positive international exposure for one aspect of the country’s identity. The campaign has received international acclaim, being ranked amongst the world’s top ten tourism brands (Anholt –GMI Nations Brand Index). Recently, ‘100% Pure’ celebrated its tenth anniversary and in this time, together with supporting campaigns, it is calculated to have created \$13.6 billion worth of international exposure. Nevertheless, the question must be asked, is ‘100% Pure’ really all that we are?

While the success of the 100% Pure campaign for the tourism sector is evident, concerns have been raised with regard to the spinoffs for New Zealand exporters, especially for those falling outside the traditional farming and horticulture sectors.

In a contemporary business envi-

ronment a brand plays a broader role than that of a distinctive trademark and logo. Branding can act as the vehicle with which to create meaning for a business. Figure 1 illustrates the evolution of the three stages of branding. In the first stage, the emphasis is on building a trademark that customers and the trade recognise. In the second stage, the emphasis is on building identity based on image and brand personality. In the third stage, the emphasis shifts to using the brand as a vehicle to help create the vision and strategy for an export business. The focus then extends beyond purchase, and customer engagement and the co-creation of value become increasingly important.

A central export agency could play a significant role in providing an umbrella brand for individual exporters’ branding strategies. Of particular interest is how national branding can

STAGES OF BRANDING

	Trademark		Brand Image and Logo		Brand as Creator of Meaning
Objective	Familiarity	+	Consistent experience	+	Creating meaning and experience
Logic	Distinctive identity	+	Distinctive positioning based on image and personality	+	Customer engagement and co-creation of value
Learning	Building recall	+	Building awareness	+	Customer experiences and value in use
Marketing Activity	Mass communication focusing on identity	+	Communication focusing on image identity	+	<ul style="list-style-type: none"> Beyond purchase Authenticating experiences

Figure 1: Adapted from a framework developed by Kaj Storbacka and his colleagues at Vectia Consulting

Challenging the Status Quo

The research began by seeking to understand the prevailing issues affecting New Zealand’s current national brand identity. Three key concerns were identified: the narrowness of New Zealand’s identity, the emphasis on ‘pure’, and the lack of internal understanding of the national brand.

be used not only to support the trademark and image/logo stages of branding but the stage where a brand acts as a creator of meaning for export businesses.

The following discussion draws on the findings of recent research on national branding undertaken by the authors at The University of Auckland Business School. The research was based on in-depth interviews with 10 industry experts, each chosen for their experience and involvement in New Zealand’s export sector. A more comprehensive discussion paper is available from the authors.

As part of this research, the interviewees were asked to evaluate the state of export branding in New Zealand and to comment on how the country’s identity should be portrayed to best facilitate the growth of its export brands.

There is a perception that New Zealand’s national identity is overly reliant on nature and so lends itself only to the horticultural and agricultural sectors. Technology and service sector firms are forced to adopt strategies devoid of any provenance. Consequently, those with the greatest capacity to change perceptions of New Zealand on the world stage are choosing not to do so. The result is that New Zealand’s national identity is seen to be stuck in a time warp.

A shared concern raised in the research related to the use of ‘pure’ as the defining identity for the generic branding of New Zealand’s exports. While ‘100% Pure’ is widely applauded, it is a tourism campaign, which, when transferred to export-related





communications, becomes a potential liability. The risk of claiming the 'pure' label is two-fold. First, such claims are so commonplace that many consumers simply disregard them. Second, terms like '100%' overpromise and could lead to excessive compliance costs for New Zealand exporters. The experts readily accepted that New Zealand was perceived as clean, green and pure, but they questioned the authenticity of the claim and whether many exporters truly believed it.

While the Government is active on environmental issues, the use of '100% Pure' as the core characteristic of New Zealand's identity creates vulnerability by inviting unnecessary scrutiny. In many cases, interviewees feared that such an examination could damage the brand equity that has been built up over the past decade.

An overriding theme that emerged from the research was the need for structure to guide the development of the generic New Zealand export brand. As a nation, New Zealand is still young and lacks the history that more established nations lay claim to. Accompanying this youth is a widespread misunderstanding of who we really are. But if we do not understand who we are ourselves, how can we expect any different from others?

While the expert panel identified common attributes regarding New Zealand's overall identity, there was less agreement about the secondary traits that help to paint the full picture. These secondary traits have an important role to play, because the only way to present a clear and consistent identity is to implement structure in the development of a national export brand. This would provide a reference point and benchmark for exporters and the various agencies supporting export initiatives.

Evolving New Zealand's Identity

THE interviews next focused on the options for evolving the national identity and developing a generic umbrella brand. This involved thinking of the export brands as vehicles for the creation of meaning for export businesses and as conduits for the development of business relationships. The experts identified distinctive themes that are intrinsically related to New Zealanders and their business enterprises. The themes related to characteristics of New Zealanders, including individual achievements, cultural diversity, humility and fresh thinking and innovation. The theme of harnessing the environment was also raised.

The interviews uncovered the consensus that New Zealanders as a people are the key to defining the brand beyond the existing stereotypes. To be successful in export markets, brands must be used to facilitate interactions and relationships amongst exporters and other stakeholders. To achieve this, greater emphasis needs to be placed on those individuals who embody and convey the brand.

To date, New Zealand's identity has been portrayed by tangible, natural resources. Interviewees saw this direct approach as primitive and simplistic. The emphasis on the rural idyll was considered damaging to the reputation of some of the country's highly sophisticated export businesses. In particular, the lack of personality traits in New Zealand's identity was identified as the reason for its lack of dimensionality,

and consequently relevance, across a broader range of sectors.

To overcome this, the interviewees suggested leveraging the personas of New Zealanders who have risen to international fame or gained exposure through their abilities in their chosen careers. These cases provide a useful tool for breaking down the traditional stereotype of New Zealanders as shepherds and share-milkers.

A personality trait widely attributed to New Zealanders, and personified by the late Sir Edmund Hillary, is humility. It is often associated with the way in which exporters operate internationally.

Despite the relatively small size of New Zealand, many successful exporters are leaders in their respective markets, yet rather than exaggerating their capabilities, they let their products and services speak from themselves. As a result, when New Zealand exporters gain international acclaim it is usually the result of others discussing their excellence.

The panel considered fresh thinking and innovation to be important attributes. Fresh thinking encompassed being solution driven, creative, innovative, and having the ability to simplify complexity. Innovation was associated with notion of resourcefulness.

The experts commented that rather than being renowned for revolutionary innovations, New Zealanders often showed the ability to come up with simpler, more effective solutions. This was in contrast to international counterparts, who had a propensity to over-engineer their solutions. It was suggested that the relative youthful-

ness of New Zealand culture led to a greater value being placed on creativity and independence.

A common strength that was identified related to the composition of New Zealand's society, and particularly the diversity of the people and their cultural heritage. New Zealand enjoys diversity in terms of thinking, approaches to life and values—all of which directly affect how we carry ourselves as individuals and as businesses.

At a deeper level, stronger values of openness and acceptance contribute significantly to New Zealand's international reputation for egalitarianism, trustworthiness and integrity.

The panel emphasized the need to make the '100% Pure' tourism campaign a component of a generic national branding strategy. This overcomes the limitations it has when considered as the dominant identity. A number of examples were identified where New Zealand exporters had successfully leveraged the '100% Pure' brand and the clean and green image to achieve price premiums. This was especially so for agricultural and horticultural exports.

The panel also identified broader aspects of New Zealand's location and environment as important attributes. One expert suggested that New Zealand could be portrayed as a 'lost world', while others referred to the country's isolation and distance as contributors to a sense of mystique that arouses people's natural curiosity. What is common in these responses is the importance of location and the environment in the stories established for export brands.

National Brand Architecture

INTERNATIONAL firms use brand architecture to grow, establish and manage brands within their portfolio and ensure a cohesive marketing strategy across different markets. Applying the same disciplines to establish an umbrella identity, to lead and complement individual New Zealand export brands, emerged as a strategy that New Zealand is yet to fully consider.

Having a clear brand architecture allows for the integration of specific marketing activities. It also provides guidance for the positioning strategies for individual brands by ensuring relevance and consistency in the creation of brand meaning and in facilitating business relationships.

In order to develop a cohesive brand architecture for national branding there needs to be an organisational structure and governance processes supported by adequate resources. The experts commented on the current disparity between the resources afforded to Tourism New Zealand and those available to New Zealand Trade and Enterprise. They also commented on the lack of alignment between the two organisations. These factors were seen as major reasons why New Zealand's identity has not developed as effectively as it could have done with respect to exports.

Figure 2 outlines the suggested brand architecture for Brand New Zealand that would lead to a more

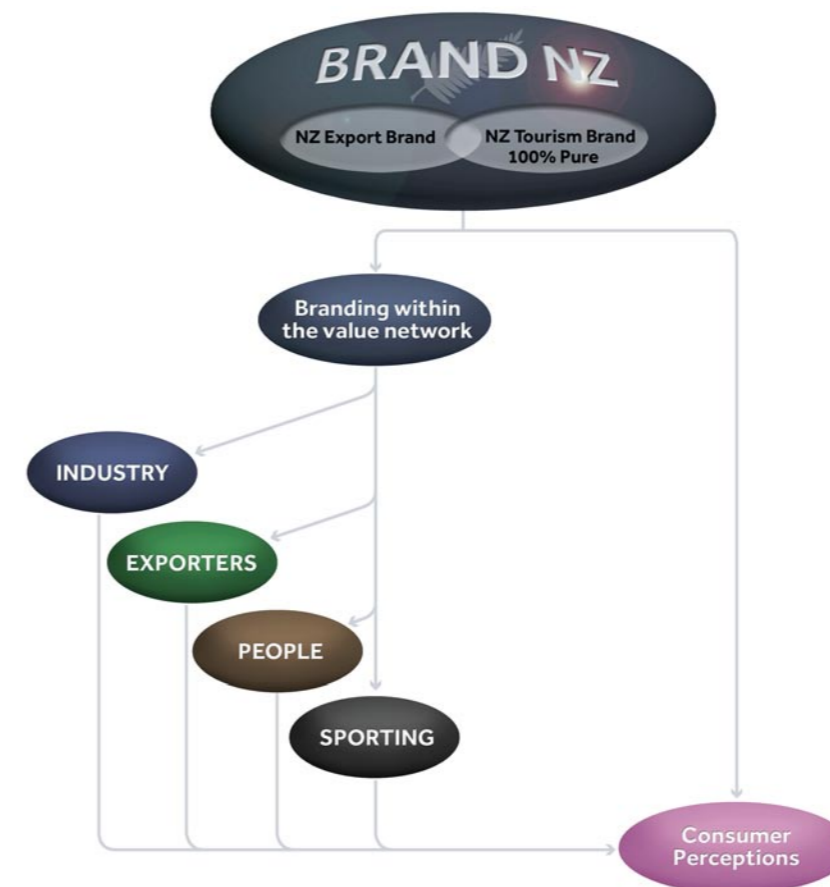


Figure 2: Holistic strategy for Brand New Zealand

unified approach between Tourism New Zealand and New Zealand Trade and Enterprise. Within this architecture there should be development of a separate New Zealand export brand in order to put it on par with the established tourism brand. This could be achieved by the creation of a holistic New Zealand brand that integrates aspects of both export and tourism brands.

Brand New Zealand provides an umbrella for branding within the value network for export activity. In order to convey this umbrella brand to consumers it is important to consider the touchpoints where people around the world interact and engage with New Zealand. As part of a holistic strategy, important brand touchpoints were identified and grouped by the experts. The key groups were industry brands, such as New Zealand Winegrowers, and individual export companies (and their brands), such as Air New Zealand, Icebreaker and Les Mills.

Also important are national sporting brands, such as the All Blacks, Team New Zealand, the Black Caps and, recently, the All Whites—all of whom have the capacity to create dramatic exposure through their activities on the world stage.

The final resource identified within the national brand development strategy related to the use of prominent New Zealanders with international profiles as national ambassadors. The experts discussed individuals from a range of fields, including diplomats such as Helen Clarke and Sir Don

McKinnon, sporting heroes like Jonah Lomu, Scott Dixon and Ryan Nelson, and cultural icons such as Sir Peter Jackson and Dame Kiri Te Kanawa.

Coordinating New Zealand Trade and Enterprise and Tourism New Zealand through one central agency was seen as the best way to manage the proposed national brand. The resources of a single organisation would leave it better placed to compete with international counterparts, which often wield far larger budgets. Furthermore, it would facilitate the transparency required to implement long-term strategic objectives. Finally, it would enable the effective leveraging of resources, including expertise that each respective organisation has developed.

As has been discussed, important themes for the umbrella New Zealand export brand include 'fresh thinking', 'trust and integrity', and 'diversity'. They could be supported by additional themes of 'openness', 'acceptance', and 'humility'. Together, these themes would make New Zealand's export brand applicable across a wider range of export sectors.

The export brand is at the same level as the tourism brand within the brand architecture. It is suggested the communications strategies for it could be integrated with the 'Pure' campaign.

The coordinating role of the agency involves a balance between internal and external marketing communications. Internal marketing involves interactions among internal audiences, including exporters, national ambassadors and other stakeholders.

Re-launching the New Zealand Wine Growers branding strategy

from "The riches of a clean green land" to "New Zealand wine – pure discovery"

In 2007, New Zealand Winegrowers re-launched its generic branding strategy following a major brand audit that included international research with key markets. The research revealed a strongly positive perception of New Zealand wine. Not only did it have an image of high quality but also feelings of adventure and discovery. The re-styled national brand image was developed with a new tagline: "New Zealand Wine - Pure Discovery". The new strategy focuses on the excitement and clarity of flavour that New Zealand wines offer the market. It also summarises the journey the industry has embarked upon as it continues to discover, innovate, improve and diversify from the dominant focus on Marlborough Sauvignon Blanc. For example, the annual international Pinot Noir conference, held in New Zealand, is now flanked by the Syrah and Aromatics Symposia, and is aimed at the discovery of the broader spectrum of quality New Zealand wines. The theme of discovery was also the focus of international events, which encompassed the emerging Asian markets of Singapore, Tokyo, Hong Kong, Seoul and Shanghai along with the traditional UK, Australia and US markets. The number of New Zealand wineries participating in these events in response to the new campaign has increased considerably (NZWG 2007).



The Swiss National Brand

Co-creating brand meaning for export businesses



For many, the Swiss stereotype revolves around chocolate, mountains, cuckoo clocks and army knives. However, through a coordinated national approach, Switzerland has established an air of confidence which is reflected in the national brand. This evolution of the Swiss national brand has important lessons for the development of Brand New Zealand.

Geographically, Switzerland is nestled between France, Italy and Germany in the heart of continental Europe. To remain apart from these countries the Swiss created external barriers that helped preserve, and continue to reflect, a strong sense of independence.

Rather than attempting to change this image, these traits of strength and independence have been converted into the key factors underpinning the nation brand. The basis of Swiss independence has been translated into brand values of exclusivity and high quality standards that preserve the nation's integrity. In doing so, the Swiss have successfully established an image that attracts those aspiring to the exclusivity and privacy that the nation claims to offer.

Swiss companies are able to use their national provenance to achieve premiums that would otherwise be unattainable. Geneva is recognised as a desirable location for head offices and is home to some of the world's largest organisations. Many of the world's elite have also been drawn by what the nation has to offer and are now domiciled there. For the Swiss, this creates an ideal situation in which the nation benefits from the associations that it has forged.

The crucial lesson for Brand New Zealand lies in the ability of the Swiss national brand to develop a distinctive brand meaning. This has been achieved by identifying, communicating and leveraging the relevant cultural traits to create a perception that has value in the eyes of the target audience and which appeals to its desires.

A government agency, Presence Switzerland (www.image-schweiz.ch), was formed to implement the national branding. Its brief is to facilitate "a clear and credible brand concept for a sustained, positive perception of Switzerland, allowing it to distinguish itself from other countries abroad". The strategy facilitated by Presence Switzerland goes beyond merely developing a distinctive identity for Switzerland. The emphasis is on the national brand as a vehicle to help create the vision and strategy for export businesses. Branding thus becomes the basis for the co-creation of meaning for the businesses.



The proposed umbrella brand strategy could be communicated to international consumers via these key touch-points. External marketing involves direct interactions with international markets, including direct communication with customers, distributors and other stakeholders, about the identity and meaning of the nation brand. In both situations, new media are expected to play a major role.

The transition in generic branding of the grape and wine sector organisation New Zealand Winegrowers from "Riches of a Clean Green Land" to "New Zealand Pure Discovery" offers an example of the evolution of a generic branding strategy to provide more relevant meaning. Similarly, international examples, such as Switzerland's ability to shift its national identity from "mountains, chocolate, cuckoo clocks and secretive banking" to "sophisticated and innovative people and companies", also provide

valuable insights into how to develop a national branding strategy that breaks away from traditional stereotypes.

National branding has a central role in establishing New Zealand's identity and building a platform for its exports in the global marketplace among customers, retailers, and other market participants. Therefore, it is of prime importance to develop a clear-cut international branding strategy that goes beyond a traditional clean and green image and facilitates a rich and distinctive meaning for exporter to use in their marketing. A key element is the framing of a harmonious and consistent brand architecture. Of particular importance is achieving synergies between the generic branding of New Zealand's identity and the initiatives undertaken by individual exporters. The integration of '100% Pure' with the New Zealand Export Brand under Brand New Zealand forms a key plank to this overall strategy. ■



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KEY TAKE-OUTS

- **The '100% Pure' campaign works well for the tourism sector but is inappropriate for most exporters.**
- **A national brand that broadened New Zealand's identity could help create the vision and strategy for export businesses. This would require a clear brand architecture to integrate specific marketing activities.**
- **A central export agency could play a significant role in forging an umbrella brand for New Zealand exporters.**