

The issue of nation branding emerges marketing essay



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The issue of nation branding emerges as the glowing of the new trade theory and global marketing arise. Nation branding gradually became a remarkable issue for nation to market their country of origin or products and services. Social sciences, such as global marketing, international relations or public diplomacy, communication sciences, tourism and hospitality have become integrated to the extent of branding the nation in global market.

As it goes from the practical field, nation branding expanded to theoretical framework. Some scholars elaborate it to specific terms and context as destination branding and some to the extent of place marketing. Nation branding within the context of destination branding has been topic that being discuss by Morgan, Pritchard and Pride (2002) and Saraniemi (2009). Whereas, marketing concept of the brand in tourism being investigated by Panasiuk (2006). However, destination marketing is more on examine specific certain potential destination which aims to market it within emphasizing touristic products and services. On the other hand, place marketing is a concept to represent place which is basically refers to nation or country as whole that offers its collection of all activities and its assets to global market.

Unlike marketing concept of brand in tourism, the context of destination branding is more familiar and popular. However, nation branding notion is actually compilation of all sector that nation have as assets to be marketed. As Kotler & Armstrong (2008: 209) believe that " place marketing involves activities undertaken to create, maintain, or change attitudes or behaviour toward particular laces-cities, states, regions, and even entire nations compete to attract tourists, new residents, conventions, and company offices

and factories". This imply that nation branding embrace many activities which is managed to attract tourists, new residents, conventions, and company offices and factories. Thus, nation branding notion indicates a tourism process as part of strategy.

Regarding to the issues of attracting new residents, conventions, and company offices and factories, specifically indicates to the issue of globalization and the new perspective of small global village. People around the world now have a chance to choose their nationality, jobs, place to run business, and resident to live in. Hypothetically speaking this perspective is stimulated from the concept of how nation is being branding and can successfully able to make a better place for people who are competitive enough and have better chances in choosing the life options.

Other than that, the issue of attracting tourists is more associated to the extent of branding the destination. It is leading to confusions of nation branding notion. However, as tourism and hospitality is multidiscipline and inters discipline fields of sciences, theses multi discipline and inter discipline perspectives is relevant issue to nation branding. Tourism and hospitality naturally is service marketing with specific characteristic of intangibility, perish ability, inseparability, and variability (Kotler & Amstrong, 2008: 225). These characteristics have drawing clearer leading to the nation branding concept. The tourism is including in both service and product. When the consumption of tourism and hospitality occur, the images of natural sea, sand, sun which is happen to be the touristic product is purely service; but when it come to the process of the tourists need and want of the hospitality service, such as certain hotel design and standard, certain food & drinks and <https://assignbuster.com/the-issue-of-nation-branding-emerges-marketing-essay/>

the tendency of choosing kinds of touristic product it is implying the connection and dependable nature of marketing. The nature of marketing for goods and services could be possible to the extent of tourism. When the tourist bought souvenirs from certain destination, it implies to the context of marketing for goods; but when the tourist consume nature, culture & heritage, historical building of certain destination it implies the nature of service marketing with the whole notion of it characteristic.

Tourism and hospitality in nation branding is an aspect that is truly experience marketing. Meaning to say it is about selling dreams by providing the richly cultural heritage valuable's nation characteristic. Through tourism and hospitality products and services, a nation can introduce its existence to the world.

The aim of nation branding is not merely to provide touristic product and serviced but it is rather to promote the values that nation to be marketed. Towards the end, nation branding is measure by certain dimensions which represent its nation identity and characteristic. Herskovits (1948); Huntington (1996); 1993; Keillor, Bruce D., M. Hult, G. Tomas; (1999: 68) pointed that key issue of the components of national identity is a construct closely related to " cultural focus". Additionally, Keillor & Hult (1999) proposed the basic component of national identity framework is involved belief structure, national heritage, cultural homogeneity, and ethnocentrism. National identity notion is implies the originality of influences of tourism aspect to nation branding notion.

That study is in line to the concept entering globalization, the notion of nation branding has been particularly lead to the context tourism and destination branding. The issues of tourism and destination branding emerge as a result of national identity and characteristic. Its natural richly culture, heritage and historical value consider as a nation potency that imply of gaining economic benefit and good positioning as an attractive place to be in, as a place to have vacation and Meetings, Incentives, Conventions & Exhibitions (MICE). Both tourism and destination branding have its own focal focus which actually purposely as part of a nation's strategy.

Thus, the roots of nation branding can be traced as fascinating phenomenon among researchers in international marketing field, communication science and public diplomacy & International relations filed and tourism and hospitality field. Kotler uses the term of ' place marketing' as term to represent the idea of market goods, services, persons, places, ideas and information. He argued that the term of ' Place' covers city marketing, region marketing, state marketing, or nation marketing. The term of ' place marketing' also employed by Rainisto & Moilanen (2009) as they built theoretical framework of success factors of place marketing in. in this sense, the implication of international marketing is also significant as Keillor & Hult (1999) proposed a five country study of national identity. This study has built elements of national identity regarding to its relationship to international marketing research and practice.

Other than that Simon Alholt (2002) introduced the term of nation branding to specify the notion of place marketing. He accentuated nation branding hexagon and pointed up in six focal dimensions as analytical tool for ranking <https://assignbuster.com/the-issue-of-nation-branding-emerges-marketing-essay/>

the world's nation brands. Three of the six dimensions that relevant to this research is the tourism, people and culture dimensions. However, other dimensions such as export, governance, and immigration & investment are also relevant aspects to be examined as nation branding cannot be seen as independent entity and so does tourism and hospitality field.

In respect of nation's branding, the main goal is making positioning in global and international competition. Likewise, this field of study has emerging to several terms which actually has similar meaning of concept. Kotler theory of place marketing has stimulated the disclosure and been modified by Rainisto research title ' Success Factors of Place Marketing' (2003), and in respect of nation branding and sustainable competitiveness of nation, Lee's (2009) has conducted research on that issue. Lee's finding proposed nation branding mechanism model which is considered as the latest approach to examine nation branding and its sustainable competitiveness of nations.

To put holism insight regarding the existing researches to this matter of the present research, the next discussion will be examining the current nation branding researches that has been conducted. It is important issue, regarding to basic principle of doing research framework.

2. 1 CURRENT NATION BRANDING RESEARCHES

The existing researches to this issue basically came from the marketing field and practitioners' insight. At the first stage of this nation branding notion is purposively design to extent of the notion of country of origin, export, national identity and globalization and new trade theories.

In this section, the current researches that will be study as basic and fundamental guidance are the research which is consider relevant to the context of this present research. Based on the reading that conducted by the researcher, the three researches below are significant to this present research notion. Below are the summary to the recent researches that has been chosen.

2. 1. 1 Rainisto (2003)

He has examined the success factors of place marketing. His research proposed framework success factors in place marketing and has made contribution to the body of knowledge, specifically to marketing field. The finding of his research of recommended four additional dimensions. The dimensions completely included in the construct of the success factors of the framework. These successes linked factors are “ strategic exploitation”, “ organizing capacity”, “ presence of substance” and “ measurement & follow-up”. These success factors describe the managerial contribution and “ know-how” in place marketing.

This research is relevant literature for this present study. The link is that Rainisto success factors of place marketing can be a ground theory to be tested regarding to the nation branding notion.

The next is the research of Marshall (2007) which examined country image and its effects in promoting a tourist destination.

2. 1. 2 Marshall (2007)

The researcher has examined country image and its effects in promoting a tourist destination. The study accomplished three conclusions. Firstly, country image element might differ from country to country depending on the factors that are cited influential on a country image. Secondly, the study found that combination of tourism, trade and investment is becoming significant on destination promotion. In short, enhancing trade and investment will pave way for the destination's image. Thirdly, the study found that countries with negative images could instead unique features in veiling its disadvantages for promotion purpose. Thus, this study contribute on few studies for developing countries in particular sub Saharan Africa.

Marshall's research is applicable to this present research because the finding has shown combination of tourism, trade and investment are significant element in term of promoting destination. In this sense, it implies it may also be able to be employ to the notion of nation branding. Other than that Saharan Africa as developing country as case study also consider as significant research subject as it is to this present study which is will employ Indonesia as case study.

Another relevant research regarding to notion of nation branding is Lee (2009). below is the summary.

2. 1. 3 Lee (2009)

The latest research of nation branding notion is Lee (2009), has done research for Doctoral Dissertation tittles' nation brand and sustainable competitiveness of nations. She has proposed nation brand mechanism

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model. The model facilitates effectively to the sustainable competitiveness through applying strategic management. The nation brand mechanism model has enriched the nation branding notion and made contribution to body of knowledge of strategic management field. This model basically is the further approach of analyzing nation branding notion regarding to be competitive and sustained in global and international market.

This research relevancy to the present research is regarding to issues of brand management approach to building national identity and image.

Nation-Branding Mechanism model is arising from built-in stereotype that link to three elements of sustenance of competitiveness of nation. They are; national development goal, export and FDI competitiveness and nation brand equity.

2. 2 DEFINITION OF TERMS

INTRODUCTION

Existing literature shown that nation branding notion is emerge from the place marketing notion and now also well known as destination marketing or tourism marketing.

In 1998, branding within the context of destination branding became the topic of the year of the Travel and Tourism Research Association's Annual Conferences. It also has been investigated in suitably book titled Destination Branding (Morgan, Pritchard and Pride: 2002, 2004). Anholt (2007) also brought the issue of treating nation as a brand through his phenomenal book titled Competitive Identity; the new Brand management for nations, cities, and regions.

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According to Kotler & Lane (2009: 279), Branding is endowing product and services with the power of brand. It's all about creating differences between products. Branding creates mental structures that help consumers organize their knowledge about product and services in a way that clarifies their decision making and in the process, provides value to the firm. Likewise, Anholt (2007: 2-7) defines branding is the process of designing, planning, and communicating the name and the identity, in order to build or manage the reputation.

Thus, it can be said that branding is part of marketing strategy of socializing products or services of its identity, profile and its added value to assist consumers' decision on purchasing. The branding purposely is to gain identity, positioning, and reputation in the market.

The term of branding evolve brand as noun that refers to trade name or trademark. Additionally, The American Marketing Association, Defines a brand as “ a name, term, sign, symbol or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiates them from those of competitors”. Furthermore, Kotler & Armstrong (2009: 276) confirmed that these differences maybe functional, rational, or tangible-related to product performance of the brand they may also be more symbolic, emotional, or intangible- related to what the brand represents.

Other than that Anholt defines brand is a product or service or organization, considered in combination with its name, its identity and its reputation.

Consequently, brand is an identification of product or service that associated with its added values and its reputation.

From above definition, it can be said that brand is identification which utilizing a name, term, sign, symbol or design, or a combination of them so that it differentiates them from those of competitors and created purposively symbolic, emotional to the consumer's need and want. A consistent maintenance will gain added values and positive reputation which potentially heading to be brand image.

2. 2. 1 Nation Branding Issues

Nation Branding is simply an effort of naming a country as identity. The process as a result is image that reflects the nation, the people and all aspect that rooted. As the image is shining become positive, it is acknowledged as reputation. Thus, nation brand is referring to the process of making a positive image and reputation. However, nation branding issue also regards to its qualification of being competitive with certain measurement to be assess.

The nation's reputation impressively effects the way people inside and outside the place think about it, the way they behave towards it, and the way they respond to everything that's made or done there. The reputation of a country directed and measurable impact on just about every aspect of its engagement with other countries, and plays a critical role in its economic, social, political and cultural progress. Nation branding is considered to be a potentially powerful solution to those gaps and conflicts and to providing nations with economic, social and cultural benefits for their peoples.

Kotler & Armstrong, (2008: 209) defines place marketing involves activities undertaken to create, maintain, or change attitudes or behaviour toward particular places-cities, states, regions, and even entire nations compete to attract to tourists, new residents, conventions, and company offices and factories. Furthermore, they introduced the term of social marketing. Social marketing is including organizations, persons, places, and ideas.

They concluded that in one sense all marketing is the marketing of an idea. However, social marketing involves much more than just advertising. Other than that some authors pointed that the issues in treating nation as a brand has become such disclosure.

Aldersey-Williams (1998) declared that branding or rebranding of a nation is a controversial and highly politicized activity. Whereas Wolff Olins contrary stated that even though historically brands are associated with product and corporations, he indicated that the techniques of branding are applicable to every area of sciences which it is actually related to the right of people to choose to work on their preferably nation. Whereas O'Shaughnessy and Jackson focus more on how international stage of a nation comes at the different times that can effect nation's identity become nation's brand image. Gilmore (2002) pointed out that the importance of truthfulness when constructing the nation-brand.

The requirement emphasize is implication of the existing values of the national culture rather than the fabrication of a false promise. Mihailovich, (2006) mentioned the issue of simplistic strap line approach to nation branding could be counter-productive. And lastly Alholt (2007) brought the

notion of the vocabulary of branding which in his perspective can appear cynical and arrogant. Table 3 below concludes the key issues of treating nation as a brand.

Table 3: Key Issues in Treating Nation as a Brand

Key issues in Treating Nation as Brand

Authors

Themes and Issues

Aldersey-Williams

The branding or rebranding of a nation is a controversial and highly politicized activity.

Wolff Olins

Although historically brands are associated with product and corporations, the techniques of branding are applicable to every area of mass communication; political leaders, for example to inspire, need to become brand managers of their parties and preferably of the nation.

O'Shaughnessy and Jackson

The image of a nation is so complex and fluid as to deny the clarity implicit in a term such as brand image; different part of the nation's identity come into focus on the international stage at different times, effected by current political events and even by the latest movie or news bulletin.

Gilmore

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The importance of truthfulness when constructing the nation-brand; what is required is amplification of the existing values of the national culture rather than the fabrication of a false promise.

Mihailovich

The simplistic strap line approach to nation branding could be counter-productive; altruistic goals such as sustainable long-term employment and prosperity are objectives that maybe met through emphasizing all form of cluster and kinship alliances.

Anholt

The vocabulary of branding can appear cynical and arrogant; therefore, to some extent, politicians need to avoid the explicit use such terminology.

(Dinnie, 2008: 18)

The above keys issues in treating nation as brand has stimulated and made nation branding perspective heading to holism perspective. As remarkable social phenomenon, it gradually interest and required contribution from another sight of social sciences. Subsequences, the next discussion will analyze the evolution of nation branding.

2. 2. 1. 1 The Evolution of Nation Branding

The evolution of nation branding produces from country of origin and national identity terms. It is arise and evolve in many fields, because nation branding requires interdisciplinary and multidiscipline perspectives. Social science research mentioned social sciences that involve to concept.

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International marketing, politic, economy and international relations are the most subject that contributing to the evolution of this concept. Though, creating nation brand is requiring holistic approach.

Dinnie (2008) emphasized that the phenomenon of national identity and country-of-origin assemble to nation branding, and countries need brand management techniques in order to compete effectively on the world stage. However, nation branding is a total concept that needs a holistic branding approach to managing the nation brand. Begin from country naming throughout to all the composed activities for all formal dimensions of national brands. The figure 3 below describes The Evolution of Nation Branding.

Figure 3: The Evolution of Nation Branding

National Identity

Country of Origin

Academic Discipline:

Political geography; international relations; political sciences; cultural anthropology; social physiology; political philosophy; international law; sociology; history

Academic Discipline: Marketing

Sub-streams:

Consumer behaviour; Advertising and promotional management; brand management; Export marketing

Economic globalization causing contradictory effects of:

Homogenization of market

Increasing sense of national identity

Lowering of trade barriers between nations

Emergence of nation branding as countries turn to brand management techniques in order to compete effectively on the world stage

(Source: Dinnie, 2008: 21)

As it seen at figure 3, the evolution of Nation Branding comes out from the two major phenomena's of National Identity and Country of Origin. National identity is seen form social sciences such as political geography, international relations, political sciences, cultural anthropology, social physiology, political philosophy, international law, sociology, and history. Whereas country of origin phenomenon comes from sub-streams of consumer behavior, advertising & promotion management, brand management, and export marketing. These academic disciplines play major roles in stimulating economic globalization that causing contradictory effects. Homogenization of the market and increasing sense of national identity is became avoidably which also lowering of trade barriers between nations. Appearance of nation branding notion is actually functioning as part

of brand management strategy of country. It is purposely designs so that able to compete effectively on the global and international market.

Thus, the evolution of nation branding basically come out from the glowing of globalization with its new trade theory which heading to the concept of lowering trade barriers. This nation branding notion is still require clearer key concept. Next discussion is trying to put an insight to the issue of key concept of nation branding.

2. 2. 1. 2 Key Concept of Nation Branding

As disclosure became more attractive to scholars and researchers, branding term expanded and emerged to the notion of ' Destination Branding, City Branding. However, nation branding and Tourism Branding still lack of attention. Thus, it is necessary to put a critical insight to the issues of this issue. In doing so, key concept of nation branding s require.

Basically the emerging of branding notion, including Destination Branding, City Branding is all heading to one conclusion issue. Nation branding is actually an application of brand management to the larger notion which is nation to be marketed. Contemporary band management normally utilizes for product and corporation but in this case, brand management is employ to the notion of nation. Nation consider as a large group of people which share the same backgrounds, races, religion, appearances, ideology, and history. Come to an end, the notion and nature of nation and corporation is can be said similar. This similarity of background and all characteristic of a nation is the product that actually being offered to global market.

In line to that analysis, Kotler & Amrstrong (2008) argues from the perspective of marketing principle, emphasized that branding is part of marketing strategy in term of creating value for target customers. They introduced ' place marketing' term (2008: 209) and followed by Rainisto (2009).

In the light of brand management, the notion of branding is part of integrated marketing communication which purposely creates for delivering the offers of fulfilling the ' need and want' of potential consumers. Likewise, branding notion has also emerged to the politic, public diplomacy and economy filed which associated to the selling and export nation's product so that can be country of origin or brand image of one nation.

According to Lee (2009), as it shown in figure 4, the key concept of nation branding is basically appear from the country of origin phenomenon, place development, and public diplomacy. Parallel to Lee's perspective, Anholt (2007) has asserted that it is useful to synthesize brand management with public diplomacy and with trade, investment, and tourism and export promotion.

It can be said that nation branding is a strategic umbrella branding for nation brand management which intentionally to manage the nation the nation brand (from a country name through to all the collected activities for all endorsed dimensions of national brands), to sustain a nation-brand system, to achieve nation brand effects both internally and externally.

All these goals only can be achieved through aligning a nation brand with a national strategy, building a nation brand strategy, building a nation brand identity & image, and managing a nation brand behavior.

Figure 4: Key Concept of Nation Branding

Nation Branding

Country-of -Origin

Public Diplomacy

Place Development

A strategic umbrella branding for nation brand management;

To manage the nation brand, i. e. from a country name through to all the collected activities for all endorsed dimensions of national brands.

To sustain a nation-brand system

To achieve nation brand effects both internally and externally

-Aligning a nation brand with a national strategy

-Building a nation brand strategy

-Building a nation brand identity and image

-Managing a nation brand behaviour

(Sources: Lee, 2009: 36)

Regarding to the context of this present research, Anholt (2007) perspective on synthesizing brand management with public diplomacy and with trade, investment, and tourism and export promotion has clearly significant to this research goal. Hypothetically speaking, mentioning tourism aspect as one of the focal aspects has made connection to the issue of nation branding. In this sense, tourism as an entity and social phenomenon link to the notion of branding the notion. Tourism components potentially able to create country of origin which is heading to the notion of nation's brand image.

In conclusion, this key concept of nation branding practically now guiding this literature review to examine the success factors of nation branding. This next discussion will elaborate more to the issue what are the success factors of nation branding.

2. 2. 1. 3 DEFINITION OF NATION BRANDING

Definition of nation brand has been associated to many terms. Different scholar has different term. However, it basically referring to the process of naming that purposively for the sake of creating brand image. The most significant contribution is come from Anholt Theory nation branding that involves six significant dimensions which well-known as an Anholt Nation Brand Hexagon. He also defines the term competitive identity to stress the importance of a country positioning regarding to be competitive in a global 'one market' concept.

Dinnie has contributed significantly to broader up and elaborate the critical concepts, issues, and practice of the term nation branding. His book (2008)

has assist students and scholars understand more about the field of nation branding theory.

Anholt define, “ branding (a nation) is a process of designing, planning and communicating the name and the identity, in order to build or manage the reputation (of a country)” (Anholt, 2005). It is emphasizing that countries are not branded like any product of service since they are not like a single products or organizations. Instead nation branding is has to accommodate all the life activities as a nation, as an entity that represent the people, culture and heritage, the tradition, way of life and values and the technology and product. For this sense government has to come out with some unique propositions to place their country in the world as an attractive brand. The table blow is summary to the extent of nation brand definition.

Table 7: Definition of a Nation Brand

References

Definitions

Morgan, Pritchard

& Piggott 2002

Process involved in successful brand building includes researching the brand values, vision, positioning strategy and implementation, which enables to achieve celebrity status and emotional value.

Kotler & Gertner 2002

A name, related terms, marks, symbols, design or combined all to differentiate them from other countries.

Cho 2004

To establish nation brand value, the total sum of nation brand equity.

Through the activities of the government, corporations, NGOs and people.

Papadopoulos &

Heslop 2002

Whether branding is appropriate to countries as a strategy or not is based on the theory that a common desire for economic growth can motivate various actors in a place towards a consensus regarding the economic development policies it adopts.

Rainisto 2003

Place branding brings added attraction to a place, the central issue being to build the brand identity of a place.

Hankinson 2004

The ultimate success of a place branding strategy relies on the effective extension of the reality of the core brand through effective relationships with stakeholders.

Anholt-GMI 2004

The sum of people's perceptions of a country across national competence such as the cultural, political, commercial, tourist appeal, investment potential and human assets.

Morgan & Pritchard

2004

For a brand to be genuinely successful, the vision has to be reflected in brand building, creating a public-private partnership to reposition the country on the world stage and maintaining brand's essence.

Papadopoulos 2004

-The growing realization that place image must be systematically marketed can be encapsulated in the concept of ' place (or country) equity'

-The emerging situation has major implications for, and presents significant challenges to, all the actors (from governments to private sectors) involved.

Blichfeldt 2005

What branding can do for places is that it offers an excellent opportunity for diagnosing what dimensions of place brands are good, bad or irrelevant from the visitor's point of view.

Dooley & Bowie 2005

Brand architecture (i. e. ' nation umbrella brand' and its sub-brands) in the context of place branding is useful.

Freire 2005

-Branding applied to places is a result of changes in society and an intelligent answer for local sustainable development

-Plac