

Superbrands

Media Coverage

Country	Date	Publication
Thailand	2005	Press Clippings

Do's, Don't's and Do-It-Anyway's in Thai Branding

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When Superbrands Thailand hands out its yearly awards, a Thai company or company in Thailand is presented with a plaque in acknowledgement of “the considerable success and acceptance in a particular country”. There is a ceremony with a photo-op, dinner and smiles all around. Based on a form grading process the Thai brands have to live up to “strict selection criteria” in order to be considered. Some of the winners over the last few years include AIA, AIS, Bupa Blue Cross, KFC, Naraya, Pepsi, Black Canyon, Body Shape, BTS Sky Train, Carrier, Cherilon and Future park Rangsit. Granted these are brands for companies that are quite successful in the Thai market, and they are well behaved brands that play nice. But what about brands in Thailand, that don't play nice? Are they less successful because they are “naughty” and are not in line with the global consensus? Companies that don't adhere to the conventions of international branding are not necessarily breaking any rules, but more likely making up new rules of branding and indeed creating the future of branding - Asian style.

Let's look at some of these “naughty” Thai brands and see how they bend the branding criteria of Superbrands and perhaps set some guidelines for the future. First of all what some of these brands are doing is working very carefully within the law and what is acceptable ethically and culturally. Marketing people are not lawyers, but follow the rules they are given and the laws of the country. Granted the Superbrands award receivers are probably more geared to expanding their brand internationally, because their branding practices will be more universally acceptable, but we will look at brands that are mostly local.

The first Superbrand criteria is Market Dominance. “Does the brand stand higher in the minds of the consumer? Does it have it's own ‘magic’?” The brands Cream-O and Fun-O look a lot like Oreo and are always parked right next to the international cookie brand on the shelf and certainly will not win many Superbrand points. Still they have been selling slightly cheaper cookies for years and have lately done the unthinkable: Advertising. When brand diffusion is used to gain market share against a market leader the communication should result in the evoking of the Oreos brand name. In other words brand suicide. But that's according to the old western theories on branding and it will be interesting to see how the David fares against the Goliath of cookies.

“Does the brand have esteem and familiarity? Would the brand appear resilient in times of trouble?” is rule #2. When Pizza Hut broke away from Minor Group some eight years ago it should probably have

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proven resilient because of familiarity. Instead Pizza Company now owns 70% of the Thai pizza market. Even though fast food brands seem to be experiencing erosion globally when it comes brand loyalty it is a remarkable turn around for Pizza Company, who cleverly used promotions rather than the brand image to build business and are constantly developing new foods that caters to local tastes.

Final example of a “cheeky” brand is Jaspal a Thai clothing company who uses famous models to create a fashion brand image that competes with international labels. The criteria “Will the customer pay a premium for the brand?” is a very good question for Jaspal and is handled in a very practical way: A Sale. Having a sale and dumping the premium price for fashion on a regular basis is not considered healthy for your brand, yet Thai consumers flock to Jaspal in droves during any of the frequent sales spells.

Lastly there is the fact that all of these criteria may cost money. As I have discussed in a previous article, that is an issue when it comes to Asian brands. Although I did not see a Superbrands criteria saying “Did the brand cost lots and lots of money?” maybe there should have been the opposite: points given for least amount of money spent on brand building. Or why not an award called Doing More With Less?

The above examples show that as Thailand and the rest of Asia become familiar with brands and with branding their own homegrown products the new ways will evolve from the old. I asked Ian Stewart, co-founder of Asian based youth marketing company Filter, to comment on the future of Asian brands. “The future for Asian brands is very exciting. The quantity and quality of brands from Asia continues to grow, as does demand for all things “Asian” by consumers from Western markets. However a more recent trend where Asian consumers are also interested in Asian-ness (our “Asians loving Asia” trend) is bringing new opportunities for a wide range of goods from Thailand, China, Korea, Japan and beyond. It’s never been a better time to be exporting Asian brands and Asian themes around the world”. So Thai brands will find ways to evolve not only on the home turf but in an inter-Asian setting as well.

The truth is that a success in branding is not about following or breaking a set of rules. Instead successful Thai brands in the future will adopt the rules and morph them into branding strategies that suit their markets. In this sense brands are very cultural, because a brand essentially about how a consumer feels about a certain product. Thus the brand perception will vary from culture to culture and Superbrand criteria such as esteem, goodwill, loyalty, and being different may have be in a different order of priority in Thailand, Brazil or Canada.

<http://www.asianresearch.org/articles/2785.html>

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