

Brand of a State: Concept and Structure

Evgeniia M Nikolaeva¹, Yulia F Kalimullina²

¹Kazan Federal University, 18 Kremlevskaya Street, Kazan 420008, Russian Federation, ²PhD Student, Department of General Philosophy, Kazan Federal University, Kazan, Russia

Abstract

One of the important aspects of the overall perception and evaluation of the state is the impression it makes on its target audience. The problem of branding has long gone beyond marketing and takes a leading position among other topics of scientific discussion, but there is still no consensus about what a brand is. The paper attempts to systematize existing approaches to understanding the brand phenomenon in scientific literature. On this basis, the authors formulate their own definition of the state brand as a complex phenomenon acting as a resource base for the formation of the state image. The paper gives a description of the brand's components, wherefore the ratings of national brands are considered. As a result of research on this topic, the authors come to the conclusion that the process of branding the state is an instrument of "soft power" aimed at the formation of effective interactions and the promotion of national interests at the global level. In the context of rapidly growing competition among countries, as well as the dominance of brands, the importance of the national brand increases for the state, and its formation is a strategic task.

Key words: State brand, Brand assets, National branding, Image, Soft power

INTRODUCTION

"A brand is a good name for something offered to the public" – a definition given by the pioneer of national branding Simon Anholt. A good name is of great value. It can attract the attention of consumers, distinguishing your product among thousands of others, and also prompting you to try a new product of the same brand.

The same is happening to the states. We are ready to pay huge money for Swiss watches, Japanese cars, German equipment and very quickly refuse the goods, having noticed the inscription "made in China". All this is called "trademark value", and the phenomenon itself is the effect of the producer's country. [2] However, the consumer's desire to buy goods produced in a particular country does not exhaust the whole essence of national branding.

In English, the concept of "brand" is synonymous with "trademark" and "trade name" concepts, so translated into

Russian, these concepts are often replaced by one another, which causes their confusion.

These terms, being the forerunners of the brand, were actively used in the 60s of XIX century. According to Ch. Bramer, the brand, unlike the goods, is created exclusively in the minds of buyers. He defines the brand as a trademark, which has absorbed an essential set of attributes and values [11]. Thus, in a narrow sense, a brand is a popular trademark or a well-known trademark. Nevertheless, it will not be entirely true to identify the brand with other categories. Consider its semantic differences from the trade name and trade mark.

"A trade name is a designation that distinguishes the goods of certain legal entities or individuals from similar goods of other legal entities or individuals", as stated in the law "On trade names, service names and names of places of product origin". Thus, the trade name only individualizes the goods of different manufacturers, while protecting the products from counterfeits is its main function.

A trade mark in turn is nothing but a foreign analogue of the Russian "Товарный знак" [15], therefore it is also a legally fixed distinctive sign, with the only difference that it allows us to identify not only the product itself, but also the manufacturer of goods.

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Corresponding Author: Yulia F Kalimullina, Department of General Philosophy, Kazan Federal University, Kazan, Russia.
Phone: +7-987-416-34-38. E-mail: kajufa@mail.ru

Thus, the concepts of “trade name” and “trademark”, being legally fixed designations of a particular product or firm, reflect only the legal side of the matter and exist de jure.

In contrast, the broader concept of “brand” exists de facto in the form of an image in the minds of consumers at the sight of one or another trademark. In addition, the brand traditionally includes not only a single product, but also a certain color palette, corporate packaging, corporate style, advertising company, promotion strategy, and, of course, reputation, which is the value characteristic of the brand.

We can say that the formula of the brand would look as follows: $TN + R = B$, where TN is a trade name, R is a reputation.

Translating the above to the level of the national brand, it is worth referring again to T. Gad: “A nation is a metaphor for a brand,” he notes, “where the flag is a trade name, and national cultural values are the brand itself” [5].

Another synonym for the brand in the Russian-speaking tradition is the concept of “image”. Quite often the authors either use them as interchangeable, putting an equal sign, or use concepts in different contexts, which unconditionally generates problems of clear understanding.

V.M. Rusakov and O.F. Rusakova determine the similarity of these concepts through four projections: subjective claims, accession to the model image, public opinion, and public preferences. The brand, like the image, is a model sample on which the subject is oriented, and in relation to which the audience will presumably have a certain programmed opinion. Both phenomena serve to satisfy a certain level of claims from the base subject of the image or brand and are aimed at satisfying the needs and interests of the audience [13].

Along with the general features of the brand and image, one can distinguish their differences by referring to metaphors. Imagine that the image is a mask or a shell, a package that is worn on the original, such as a beautiful, elegant masquerade mask, which can hide both a beautiful girl and an ugly old man. Now imagine the brand. This is not a mask that can be easily removed and put on another. The brand has a more stable character. Unlike the image, it could be compared with the official symbolism (the coat of arms or the flag) or with the famous surname. The brand is based on the glorious history of the “clan”, “family”, rooted in the distant past [13]. Due to its “historicity” the brand is a kind of long-lived, compared to the image. Compared with a quality brand, only the creation and formation of which sometimes requires several decades, the image has a short “life”.

Another metaphor is an iceberg. Its top – visible to the eye of the observer – will be the image, and everything that remains deep under water is a brand. The brand symbolizes the entire presented subject in general, not just its surface phenomenological face.

During its functioning, the brand always strives to have power over the masses, over the thoughts and consciousness of its consumers by cultivating its name. The image only “plays” to the crowd, not turning it into its instrument. Perhaps, therefore, quite often you can hear the phrase “cult brand” and very rarely, almost never - “cult image”. In general, the very concept of “brand” indirectly contains a certain need for the subject in social significance, which satisfaction is due to the appropriation of surplus values. For example, such as public recognition, authority, wealth, power, fame, etc. [14] “Brands cannot be registered and controlled, cannot be tied to a place. Brands deny geographical restrictions, as they exist not in physical space, but in the minds of people, where they leave their invisible trace” [5].

METHODS

The theoretical basis for the study is the branding models proposed by S. Anholt and K. Dinny.

“Rating of national brands” developed by British scientist, adviser to the British government Simon Anholt in the early 2000s is the only analytical rating that assesses the image and value of brands in various countries around the world. The main question the study answers to is “How do people perceive the brands of different countries?” The survey is conducted quarterly with a representative sample of 200-1,000 respondents in each of 35 countries, thus, more than 25 thousand people participate in it. They are asked questions about how they see the culture and inhabitants of other countries, what they think about the government, whether they are willing to visit these countries, invest in their development or move there to live. Conditionally all questions can be divided into six blocks, which scheme is presented by S. Anholt in the form of a hexagon [6].

Export - determines the relevance of goods and services produced in a certain country.

Management - studies both public opinion on the level of competence of the government and its fairness, as well as the public’s assessment of the level of interest of the country’s leaders in global problems, such as democracy, justice, poverty, and the environment, and beliefs about the government.

Investments and immigration - determines whether a country is favorable for the life, work or training of foreign citizens, and also how people assess the economic and social situation in the country.

Cultural heritage of the country - evaluates the national identity of a country, as well as its modern culture, including cinematography, music, sports, art, literature.

Population - evaluates the level of education of the population, friendliness, openness and other qualities, as well as the level of potential hostility and propensity to discrimination.

Tourism - evaluates the level of the country's attractiveness for tourists, assesses places of interest. S. Anholt comes to the conclusion that tourism is one of the main elements in the image of the country, because it is the most obvious and clearest aspect, an element of the image of the state. A positive or negative evaluation of tourism in the country affects the overall image as a whole. The key to successful national branding, according to S. Anholt, is better coordination between all points of the hexagon: joint development of a national strategy and the use of resources and experience, the promotion of innovation and the establishment of common standards and quality indicators [6].

Thus, using all the spheres, enclosed in the "corners" of Anholt's hexagon, experts together with the government build an integrated strategy for designing a national brand.

Another major world specialist in territory branding, K. Dinny, delineates the concepts of the national brand, that is, the brand that covers the whole nation and the brand of the region, the nation-brand, where the brand is the state itself, the country, the nation. He defines the concept of "nation-brand" as a unique, multidimensional complex of elements that creates an image of a country that culturally differentiates it from other countries in the international space and is recognized by the audience to which this brand is directed. This definition, according to Keith Dinny, confirms the assertion that brands exist only in the minds of consumers, rather than being completely controlled product of marketing technologies [18]. The national brand, according to K. Dinny, is built on the basis of the following key components: history, language, territory, political regime, architecture, sport, religion, education, nature, music, cuisine and folklore [18]. These elements are components of the identity of each country.

RESULTS

"Brands are a religion of modern times," researcher I. Vazhenina says [4]. She distinguishes the concepts

of "image of the territory" and "territory brand". She considers the image through the prism of sensations and ideas arising from the peculiarities of a particular territory. In turn, she presents the brand of the territory as a deep concept. According to I. Vazhenina, the brand of the territory can be interpreted as a set of "unique qualities, enduring universal values reflecting the originality, unique original consumer characteristics of the given territory and community, widely known, received public recognition and enjoying stable demand of consumers of this territory". The author also notes that the basis for the formation of the brand is a pronounced positive image of the territory, which has unique opportunities to meet those or other desires and needs. In other words, the brand of the territory is the highest manifestation of emotional consumer preferences [3].

It is worth noting the fact that in the modern world of brands, national branding has already ceased to be just a fashionable trend among countries that want to improve their positions in the world arena or conduct re-branding. As noted by Yvonne Johnston, national branding is a complex and controversial phenomenon that is absolutely unknown theoretically, but which is constantly applied practically [19]. National branding of the twenty-first century includes a whole range of procedures, a kind of tool used by the government. This includes marketing research, which in the future allows identifying those points, which should serve as a guidemark in the construction of a positive, and most importantly, competitive brand. The ratings of national brands, which international consulting companies regularly compile, ensure an objective assessment of the brand of the state by various parameters.

Another prominent Western theorist in the field of state branding, W. Ollins, emphasizes that the national brand should be based on a certain key idea that will differentiate the country and project the national characteristics in an effective and attractive way [10].

F. Kotler and D. Gertner suggest another approach. In their opinion, the basis of national branding is not the components of identity, but communicators, through which the country, as a product, is promoted on the world market. These include the entertainment industry, the media, music, art, media personalities, governmental press conferences. [8]

The analysis of the ratings of national brands also helps to determine the trends necessary to work with in the process of national branding.

The most comprehensive list of indicators is in the "Country Brand Index" rating, which is compiled by

Future Brand. The rating has 18 criteria, with which any of the countries is associated, among them are the country's attendance, the desire to conduct business or study in a given country, the preference to buy goods produced by this country, etc. The criteria are grouped by subject, forming five groups: values professed in the country, quality of life, business potential, history and cultural heritage, tourism [17].

Other ratings rank countries by specific areas. For example, the British multinational consulting company "Brand Finance" evaluates the economic indicators of the domestic and foreign markets, such as investment, tourism, products and goods, as well as human capital [12].

At first glance, one may get a superficial impression that if simply apply the theory of national branding in practice, the image of the state will improve. In other words, the state as a commodity can be made attractive to buyers, (and in the case of the state such buyers are investors, tourists, scientific minds and other social groups it is interested in), creating a bright and successful brand for this. This understanding is not entirely correct. The fact is that the identification of the state with the brand is nothing more than a metaphorical comparison. In fact, the state is a complex system that can not be branded like any single commodity.

So why the countries of the world are involved in the process of national branding.

Today we see how global brands - brands that hold the attention of consumers in their hands - increasingly engross our lives.

According to K. Dinny, the use of national branding is a relatively new phenomenon, but against the backdrop of ever growing competition that takes place both in external and internal affairs of the state, its role increases day by day. Countries make increasing efforts to fulfill three main tasks: attract tourists, stimulate domestic investment and increase exports. A further goal for many countries is to attract minds to themselves, so countries compete in the field of educational services, acquiring talented students and highly qualified specialists [18].

Temporal presents a wider range of potential benefits the country can acquire in the process of national branding. In addition to such priority areas of development as attracting tourists, stimulating domestic investment and increasing exports, the country's branding makes it possible to increase currency stability, investor confidence, international political influence, strengthen international cooperation and the state from its inside.

It is also noted that a state without a brand has difficulties in the sphere of economy and politics, therefore the creation of image and reputation becomes the basis of the state strategy. An influential and competently designed brand of the country can provide a competitive advantage, which becomes extremely important in today's globalized economy.

DISCUSSION

Despite the fact that branding has long gone beyond marketing and holds a leading position among other topics of scientific discussions, there is still no consensus on what a brand is. The so-called "officially registered" definition of this concept belongs to the American Marketing Association, according to which the brand is a "name, word, expression, sign, symbol or design solution, or a combination thereof for the purpose of identifying the goods and services of a particular seller or group of sellers to set them apart from their competitors" [16]. The same definition is given also by the ideologist of modern marketing F. Kotler: "name, term, symbol, pattern or a combination thereof, intended to identify the goods or services of a supplier or a group of sellers and their differentiation from competitors' goods or services" [8]. As we can see, in the presented definitions the brand is defined through visual, "external" images. In this regard, this approach to the definition of the brand has repeatedly been criticized for its superficiality. Nevertheless, both definitions are quite often used to this day.

One of the patriarchs of the advertising industry D. Ogilvy sees the brand differently and defines it as an image in the minds of consumers: "This is an intangible sum of product properties: its name, package and price, history, reputation and way of advertising. The brand is also a combination of the impression that it produces on consumers, and the result of their experience in using the brand." [9]. Employees of Ogilvy&Mather advertising agency add: "this is what consumers feel about the product; it is an attachment thereto; those personal qualities that they attribute to the product, the trust and devotion they feel towards it." [20].

Other authors also focus on the minds of consumers. According to Ch. Bramer, the brand, unlike the goods, is created exclusively in the minds of buyers. He defines the brand as a trademark, which has absorbed an essential set of attributes and values [11].

Swedish economist and marketer, founder of four-dimensional branding, T. Gad also speaks about values, defining the brand as a systemic value in the minds of

people. Thus, to brand something, in T. Gad's opinion, means to do something more valuable [5].

Therefore, proceeding from the above, it is worth noting that there are at least two basic approaches to the definition of a brand, one of which is based on the external component of this concept and the other – on the psychological-value one.

CONCLUSION

Thus, the brand of the state is a phenomenon of post-informational society of the XXI century. Nowadays, one more factor - psychological, namely the image of the state and its perception - the brand of the state was added to the main state characteristics, except political, economic, military, and geopolitical in the international arena.

The state brand is the name of a state that has a high reputation and special value for its target audience, positively representing and favorably distinguishing it from other countries in the international arena, as well as increasing the authority of the state among its own population. The ontology of the brand is anthropocentric, and in its essence is aimed at the elementary unit of society - the consumer, which plays the main role in its existence.

The state brand is a complex phenomenon, which is a collection of brand assets, the systemic application of which ensures the accumulation of reputation and the formation of a positive image of the state, as a result of which there is an increase in its domestic political and international influence.

The brand and image of the state are phenomena connected by correlation relations. A purposeful formation of the state image requires the use of brand assets reflecting the country identity, such as culture, science, education, sports, tourism.

Brand assets can act as instruments of “soft power” in the process of forming, adjusting and maintaining the image of the state.

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