Country Positioning & Branding Opportunities Provided by a Major Event.

Dr. Raul Peralba
Trout & Partners Group
Worldwide Pioneers in Positioning
Since 1969
About T&P presentations.

✓ Our presentations are guidelines, not direct solutions. In marketing “each case is a case”.
✓ The objective is to show clear and useful concepts and points of view to enable all of you to work better together and in tune.
✓ We use many different examples for supporting our concepts; all of them are very well known and easy to understand.
✓ You should do an imagination exercise to apply each example to the task we are discussing today.

Positioning & Branding.
We live in a new world order.

It is a high risk world!

An ugly fact of life.

- If you make a mistake, your competitors quickly get your customers.
- What’s worse is that you rarely get them back...
To find a model to apply!

A global chimera:

Strategic Positioning is our competitive model.
The positioning cornerstones ...

- Objectivity.
- Common sense.
- Frankness.
- Simplicity.

Warning #1!!!
- Managers lose objectivity,
- Managers don’t use the common sense.
- Managers are not frank.
- Managers complicate everything.
In this high risk world, something has changed!

Some years ago...

It used to be “virgin markets”.
The business game was like golf.

"Customer oriented"
Nowadays...

shared and saturate markets!

company

competition
A super-hyper competitive world.

In this new global world, everybody is after everybody's prospects, everywhere, all the time.
(24 Hours a Day, 365 Days per Year)

It is not golf anymore...

Nowadays business game is like chess!
Nowadays, the Strategy’s main objective should be:

to displace, to deceive,
to outflank Competition.

(Without forgetting Clients!)

The real task is not about knowing your customer...

It’s about what to do for your customer knowing about you.
Nowadays strategy must be: 

**Competition oriented!!!**

Where is the chess board?
The Logical Answer…

But market is a gathering of “individual” persons…

It must “to capture” one per one.
It is always a person who takes decisions...

Where is located the “decision center”?
Positioning defined by us:

It’s how you differentiate your “product” in the mind of the prospect.
The key weapon is communication.

With an effective communication plan it will be possible to build a different and preferred image of your “product” in the prospect’s mind.
Being different in the prospect’s mind is the real value...

Warning # 2!
Business competition is not a battle of products or services, it is a battle of perceptions in the prospect’s mind.
Operative Efficiency + Perceived Differentiation \[\rightarrow\] Competitiveness

Two steps:
- First Strategy.
- Second Communication plan.
To find a differentiating idea is the key.

What is the way to find it?

“Out-in Thinking”
¡The best solution!

Own a word in the prospect’s mind.

Generic...
Paper handkerchief

Characteristic...
Disposable...

Attribute...
Always a differentiating idea must be supported by a symbol.

It is the brand !!!

Which kind of symbol?
Warning # 3!

A brand is not only a logo...

Only Swoosh
A word is much more important than a logo!!!!!
A differentiating idea is much more important than a logo or only a name!!!!!
"There is no such thing as a commodity. All goods and services can be differentiated."
Theodore Levitt
Editor, Harvard Business Review

Chiquita bananas.
A pioneer: Rosser Reeves (1960)

“USP”

Unique Selling Proposition.
Since 1960’s till now things changed a lot...

The big difference is the amazing proliferation of products and services (and countries and events...) in just about every category. Products and services are born and die too fast.
The generic:

Nowadays it is more and more difficult to create or to appropriate a generic.

A characteristic:

Nowadays all products and services are equal...
Everyone can do exactly the same...

Even in the automotive industry.

It is the same car!
To own an attribute is the best solution:

Nowadays attributes are the real opportunity.

How is the process in the client’s mind?
Sensations

Stimuli received through a sense,

Perceptions

Recognition and interpretation of sensory stimuli based chiefly on memory.
Gray, Peter (1999); *Psychology*, Worth Publishers; Nueva York.

Then, every “product” needs to create a positive emotion.

The UEP® concept.
Unique Emotional Proposition.
You should deeply understand the prospect’s mind in order to move their emotions towards your “product”.

You should affect the prospect’s decisions in order that your offer be the preferred among competition.
You should create empathy with prospects to create and to establish strong and sustainable links.

To achieve that, you should emotionally link the "product" with clients.
For all these reasons
Every “product” should own a:

UEP®

But not any...
Shell

Waves of change

Oil waves??????

Emotion: Worry!

Ralph Lauren

Blue

What is this?
An inkwell?
No, it is a perfume!

Emotion: Doubt!
A too much effective insecticide!

Emotion: Fear!

... one emotion that differentiates the “product”, one emotion that means a “real benefit” for the clients and has a direct relation with the “product”.

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www.southafrica.info
“The real thing”

“The Pepsi generation”
Do you enjoy driving?
Something essential!

A “boss”!!

You should elaborate a strategy from:
Bottom to up.

But you must to set up from:
Up to down.
Somebody must be the **Strategic Positioning Plan CEO**.

We call him/her: 
**The “Brand Guardian”**.

---

**Could be the 2010 FIFA World Cup a real opportunity for South Africa?**
Answer:

Yes; it could be!!!

One swallow doesn't make a summer.
One event doesn't make a "country brand".

It is a long, long term task...

Brand definition

A trademark or distinctive name identifying a product or service or a manufacturer.

Source: World Intellectual Property Organization - WIPO
Fits it in the brand definition?

A trademark or distinctive name identifying a product or service or a manufacturer from a certain country.

Source: Adapted from World Intellectual Property Organization - WIPO

Which kind of “products” we are talking about?

- Tourism destination.
- Investments.
- Products and Services.
Tourism.

A “multiply” industry…
South Africa needs to fix clear and different postcards in de mind…
Investments.

Trust is needed.

Main Factors for Investment destinations
(% of Mentions as “Very important”)

- Markets potential. 77
- Social and Political Environment Stability. 64
- Easy of doing business. 54
- Local utilities. 50
- Technical staff locally available. 39
- Management staff locally available. 38
- Corruption levels. 36
- Local Salaries. 33
- Citizen Safety and crime index. 33
- People easy to train. 32
- Local Taxes. 29
- Local operative cost. 28
- Local Infrastructures (Air, sea, train transportation, roads, etc.) 26

Source: MIGA - Deloitte and Touche LLP, 2002
### REAL GDP GROWTH 2005

<table>
<thead>
<tr>
<th>Country</th>
<th>Growth Rate</th>
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<td>Egypt</td>
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<tr>
<td>Jordan</td>
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<tr>
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### THE WORLD COMPETITIVENESS SCOREBOARD 2006

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<tr>
<th>Country</th>
<th>Score</th>
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<tbody>
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<td>Norway</td>
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<th>Country Rank</th>
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<table>
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<th>Transparency International Corruption Perceptions Index, 2006</th>
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*Score denotes perceptions of the degree of corruption in the public sector on a scale of 0 (highly corrupt) to 10 (very clean).
Products and Services.

A different question...

Countries have positions in the mind.
Computers
Airplanes
Cinema
Electronics
Robotics
Photography
The renowned brands are the “Country brand” locomotives

The positioning and branding Spain’s problems…
State Institutions

“Country brand” builders

Leading brands and companies Components of Civic Society

SURVEY: SPAIN
The second transition

From the Economist

OTHER ARTICLES IN THIS SURVEY

From A to Z
Oh, to be in Europe
To Market, To Market
Europe’s magnetic south
A house of many mansions
The prizes in store
Author Interview

After 30 years of economic and political success, Spain is entering a new phase of democratic development, says John Gilmore.
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2901 shops

794 shops

278 shops
Olive oil.
Food & Drink.
Design & Fashion.

Fuente: IMD World competitiveness yearbook 2005, IMD, Lausance, Suiza
How is South Africa perceived?
Which could be the main perceptions now?

- Spirit of reconciliation.
- Peaceful political transition.
- National pride.
- Government national unity.

You need to find the new and more pragmatic idea and:

- Compelling emotional concept.
- Credibility of the message.
- Ability to deliver.
- Concept Sustainability.
How could South Africa take advantage of this perceptions for improving in tourism, inward investment and exports?

What is the way to find it?

“Out-in Thinking”
The first mistake to avoid:

Me too trap!!!

For developing an “against somebody strategy”, you need to know your competitor as well as you know you.
An objective, frank and simple survey is essential for understanding how South Africa is perceived.

What should you do with 2010 FIFA World Cup?
Very nice logo, but which is the differentiating idea?

It is necessary an idea that create a synergy with the country brand concept that you also need to define...

You are going to start up a “new” country brand using a very useful and worldwide well known support.
You should:

1. Take advantage of it in the short term.

2. But the first you should do is to find the differentiating idea that will drive your communication plan in the long term.

The strategy should drive a realistic and relevant plan for maximising both:

✓ a massive, “once in a lifetime” opportunity and
✓ a considerable investment by South Africa as the host nation.
The four mainly urgent issues:

1. A "Brand Guardian" Staff powerful enough.
2. A brand with a differentiating idea.
3. A plan, including clear milestones.
4. The necessary resources for doing things in accordance with the event importance.

The last, but not the least warning today!
You only will get one chance to make a first and sustainable impression...

Think about all this issues, and ¡good luck!...

Thank you very much for listening…

Raúl Peralba