



## Students' Corner

# Brand China: Using the 2008 Olympic Games to enhance China's image

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**Abstract** In 2008, China will host the Olympic Games for the first time in its history. This momentous event is well timed with China's need to improve its image across the globe. This paper first introduces the concept of nation branding. It then analyses China's opportunity to use the Olympics as a marketing tool to increase its global brand equity. Finally, recommendations are provided in order for China to maximise the potential from the 2008 Olympic Games.

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## INTRODUCTION

In 2008, China will host the Summer Olympic Games in Beijing. This event

will garner world focus, making it a great branding tool for the host country. This paper analyses how the Chinese

government can use the Olympic Games to improve China's brand image.

Human rights are one of the main issues for China as it emerges from a long communist regime. The government has faced increasing internal pressure to provide additional freedoms to the population, while feeling external pressure from the international community that also follows China's political development very closely. Historically, China has been associated with low-quality goods and cheap products and services. It is seen only as a manufacturing country that offers little with regard to design and creation of new products. China's aspiration is to move further up the scale and show the world that it has the capabilities to make the transition from 'made in China' to 'created in China' (Youngru, 2006).

The environmental situation is another concern in China. The environment has suffered for many years due to lack of regulatory controls, negligence and poor conditions. To address these specific issues, China has set the following goals for the Olympics: People's Olympics, High-Tech Olympics, and Green Olympics.

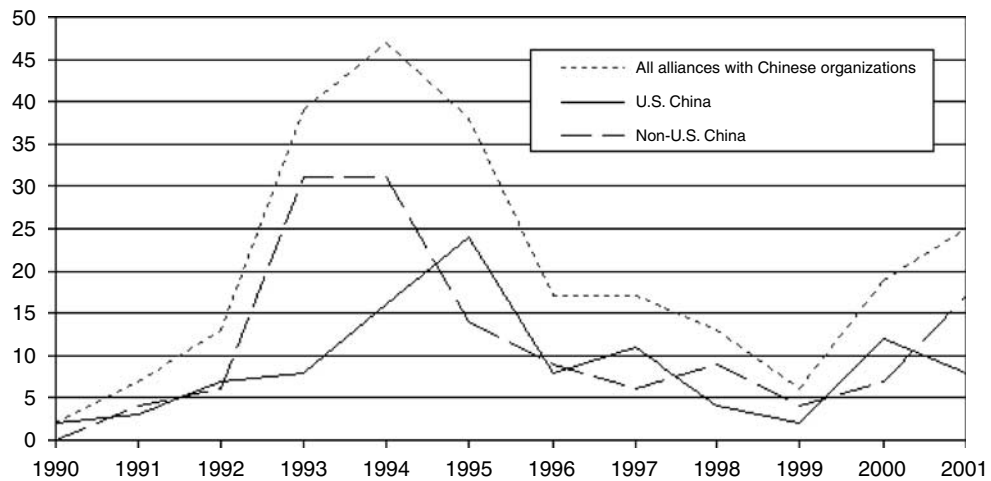
At first glance, it would appear that China has identified the necessary areas to address its branding issues during the Olympics. The goals are supportive of each other and help to create a message that China has arrived as a major power in the international arena. If China is, however, to maximize the benefit of this rebranding opportunity and effectively distribute China's new message, it is imperative that the various political and economic organisations/departments coordinate the efforts with China's Olympic Committee and the committee's initiatives. While there is a great deal of Chinese domestic recognition of the new message, the concentrated efforts to spread this message abroad are still lacking. Also it seems that China is lacking an effective method to measure the success of any proposed branding efforts. To address this branding issue, our recommendations suggest a more focused cross-functional effort supported by all the organisations in the value chain. We believe

that China should task a specific organisation to ensure the coordination and consistency of its message. This organisation should ensure that the message is delivered effectively and not seen simply as propaganda from the government. Additionally, it should ensure that the message fully conveys how China wishes to be viewed by the international community, and not what the international community thinks China should be.

## GLOBAL PERCEPTIONS OF CHINA

Every day the world is becoming smaller. As globalisation continues and the information age brings us closer together, countries are now more readily able to brand themselves to the rest of the world. For much of the 20th century, China has sheltered itself from the global march forward. Protective of a 5,000-year-old culture and its 1.3 billion inhabitants' ways of life, China has given the world little on which to build a positive brand image. Rather, China is associated with a guarded image, troubled by reports of human rights violations and environmental issues. China is mostly known as a manufacturer and exporter of the world's cheap goods and the quality of Chinese exports is perceived as relatively low. This is, however, not the real China. The current image of China does not tell the true story of this emerging world power. It does not tell us about the people who desire nothing more than a harmonious existence with the rest of the world. Nor does it speak of the emerging economic engine, culture of innovation, and high-quality Chinese company brands.

Recent restriction removals on foreign trade have helped bolster China's image as an emerging economic power. China's exports, gross domestic product (GDP), and the foreign direct investments have all improved dramatically. As of 2005, China's economy has become the second largest in the world after the United States when measured on the basis of purchasing power parity (CIA, 2006). The Chinese government fosters a dual economic structure, which encourages a more open-



**Figure 1:** Industrial R&D alliances with Chinese-owned private and public organizations: 1990–2001 New alliances. *Source:* Thomson financial joint ventures/alliances database.

market economy. The Chinese refer to it as, ‘a market economy with socialist characteristics.’ Although some nonagricultural and industrial facilities are still state-owned and centrally planned, private ownership of production assets is now legal and somewhat encouraged. Joint ventures are also encouraged, especially in the coastal economic zones and open coastal cities.

One example of this new initiative towards open market economics could be the aggressive partnership activities China has pursued with the rest of the world over the last 15 years. According to the Thomson Financial Joint Ventures/Alliances database, US and Chinese-owned companies and other organisations formed 105 new business alliances from 1990 to 2001 with the highest annual frequency of partnerships being reached in the mid-1990s. The decrease after the peak could best be represented by an increase in majority-owned affiliates of US companies in China (Figure 1) and may also reflect a transition to wholly owned R&D facilities whose parent companies already hold an established foothold in the country (Pillsbury, 2005).

Despite these immediate successes, the future of China will face a variety of economic challenges as it tries to incorporate a rural workforce into a technology-driven economy

and foster the growth of the private sector while redeveloping and reforming the state-owned sector, all while changing the role of the government in its economic system and improving international relationships.

It is clear that China wants — and many would argue deserves — to be viewed as a leader in the international community. When China hosts the 2008 Olympic Games in Beijing, people across the globe will be watching. Will they see an image of China that reinforces a commonly held view of an oppressive country? Or will they see an image that opens their eyes to a new China?

## CHINA'S RISE TO THE WORLD STAGE

Since shifting to a market economy in 1978, China has averaged 9.4 per cent annual GDP growth. To give a scale of this growth, in 1978, China contributed less than 1 per cent to the world economy, with a total foreign trade worth \$20.6bn. Today, China accounts for 4 per cent of the world economy and has foreign trade of \$851bn — ranking China's the third largest national total in the world.

China has also entered the world stage through other high profile cultural and scientific advancements, such as becoming only the third nation to independently launch one of its

citizens into space. As China continues to make use of its world power and more than 1.3 billion in human capital, its potential impact on the world stage is staggering.

### **Brief history**

After the formation of the Peoples Republic of China (PRC) in 1949, the subsequent communist takeover that followed laid the groundwork for the development of a new society that would be built on a Marxist–Leninist model replete with class struggle and proletarian politics fashioned and directed by the Chinese Communist Party (CCP) (Library of Congress, 1987). For the next two decades, Mao Zedong led China through a tumultuous era of proletariat revolution, anti-intellectual proliferation, and socialist economic initiatives that sent the country into a downward spiral in both political and economic forums.

One of Mao's strongest concepts to propel the Chinese people was The Great Leap Forward (1958–1960). The dominant concept of the Great Leap was that rapid development of both China's agricultural and industrial sectors could be accomplished through the utilisation of the massive supply of cheap labour. Sadly, the Great Leap failed and tens of millions of rural Chinese citizens starved or froze to death. This failure was the root of much civil unrest which led Mao to another radical party experiment that further 'branded' China as a country to be wary of. This experiment would be known as 'The Cultural Revolution.' This revolution was a period of radical experimentation that effectively eliminated the formal educational system and also severely handicapped attempts at rational economic planning (Library of Congress, 1987). This revolution was characterised by ideological slogans and red banners that were designed to instill a strong sense of collectivism and socialism into the Chinese society. Again, the Chinese citizenship was encouraged to work for the advancement of the state, and failure to comply was met with torture, imprisonment, and even death. It was human rights infractions such as these that

further deteriorated the Chinese image around the globe.

In 1976, the death of Mao put an end to the extremist influence and control within the people's party. Then, under the leadership of Deng Xiaoping, China began a series of pragmatic economic reforms that initiated a new era of China 'opening' itself up to the outside world.

### **Securing the Olympic bid**

Much has changed since the end of Mao's leadership. According to the Beijing Olympic Committee, China's desire is to integrate itself and its culture into the rest of the world. China's ambition to host the Olympic Games is the culmination of a 100-year-old national dream. In 1908, China set three goals: to send Olympic athletes to the games, to win the first gold medal, and to host the games. This three-part dream started in 1932 when they sent their first athlete to the games. The second part was fulfilled when they won their first medal at the Los Angeles Games in 1984. The final part is to host the Olympic Games in China. The chosen slogan for the Games is meant to represent Chinese sentiments: 'One World, One Dream.'

'China's deteriorating international image is impacting its ability to achieve its foreign policy goals, and could well affect its ability to stage a successful Olympics in 2008,' argues John Kamm, former head of the American Chamber of Commerce in Hong Kong (Marquand, 2006). This statement shows the formidable challenge that the Chinese government faced in order to ensure a successful 2008 Olympic Games. With a tarnished world image and human rights issues becoming an obstacle in every step, it seemed that China was preparing itself for a repeat of the failed bid for the 2000 Olympic Games in which it narrowly lost to Sydney by a margin of only two votes. While allegations of bribery were raised, it was openly discussed that human rights issues were one of the principal reasons that China failed and subsequently lost its bid to Australia for the 2000 Olympics.

When applying for the 2000 Olympic Games, China implemented a quick approach to the bidding process. In contrast, the bid for the 2008 Games was a more methodical, rigorous and systematic process, according to the global public relations firm, Weber Shandwick Worldwide (Liu, 2006). In September 1999, the Beijing 2008 Olympic Games Bid Committee (BOBICO, which was tasked with the organisation of the Beijing application) was founded with the approval of the Chinese state council. Eight months later, the Olympic Evaluation Commission entered the report on the candidate cities, and offered the following testimony for Beijing's high-quality application: 'It is the Commission's belief that a Beijing Games would leave a unique legacy to China and world sports, and the Commission is confident that Beijing could organize excellent Games.' After this announcement, the Chinese government put forth a magnificent effort to prepare the city for the International Olympic Committee (IOC) inspection. The government mobilised a large number of people to clean up and re-paint many parts of the city. When the effort was complete, it was reported that an area in excess of 26,000 km<sup>2</sup> had been painted.

An excerpt from the novel, *Oracle Bones* depicts the detailed efforts put forth to secure the bid. During the week the Olympic inspection committee was in town, the cab drivers were given reminders to be polite to foreign travellers. In addition, they were given English courses on audio cassettes designed for the inspection. These tapes consisted of phrases such as, 'the city will be more beautiful when it hosts the Olympic Games' (Hessler, 2006). Preparation practices such as these paid off and in September 2001, Beijing won the bid for the 2008 Olympic Games.

Beijing embarked on an investment programme in the years following the announcement. BOBICO presented an 'Olympic Activity Plan' that included the construction of infrastructure projects in three phases. The first phase would last from

December 2001 to June 2003 and would include preparations as well as the organisation of the management. During the second phase from July 2003 until June 2006, construction would begin on the infrastructure necessary to host the games. Finally, the third phase would consist of testing the facilities until summer 2008. Overall, China committed to spend more than \$40bn on preparations for the Olympic Games. As of September 2006, a total of 37 competition venues have been constructed, an additional 59 roads are under construction, and four new bridges are being built. In addition, 750km of road will be repaired and upgraded. During this reconstruction process, 69 villages will be moved and the controversial decision to raze entire sections of Hutongs (historic Beijing neighbourhoods) will be implemented. The massive rebranding effort is well under way.

## **BUILDING THE BRAND OF A NATION**

As described above, China has much work to do in improving its global image. Many westerners still have less than favourable perceptions of China, and it is important for China to change these perceptions in order to receive the respect that it deserves. To begin the process, China must first decide what image it wants the world to have. Once this is determined, it is important to begin communicating messages — and more importantly — actions that reflect this image. It is this process that describes the recently developed concept of nation branding.

### **Introduction to nation branding**

All consumers are familiar with the concept of the traditional branding of products, services, and companies. Consciously or unconsciously, consumers are also influenced by country brands. This influence can have an impact on everything from purchasing habits and tourism to perceptions of nationals from a specific country. To illustrate, consider what concepts come to mind when the following countries are mentioned: Columbia...Germany...Italy. Perhaps: Coffee...Automobiles...Fashion, respectively?

People who demonstrate a preference for country-specific products or root for a specific country in international competition are showing loyalty or disloyalty to a nation brand. For example, French wineries experienced a decrease in sales following a dispute between the American and French governments over foreign policy. Clearly the wineries had nothing to do with setting France's foreign policies. A wine's country of origin, however, became a purchasing factor in the minds of many American consumers. Globalisation means that countries are competing for trade, resources, investment etc just as companies do in a commercial setting.

The concept of nation or place branding is relatively new, but has been growing very rapidly in recent years. The Anholt Nation Brands Index (ANBI) is one thought leader in this category. ANBI founder, Simon Anholt, developed a nation brand hexagon which can be used to measure and benchmark a country's global brand equity. Compiled from more than 25,000 respondents from 35 countries and published quarterly, this framework provides an analytical brand index based on the following six areas: (1) tourism; (2) exports; (3) governance; (4) investment and immigration; (5) culture and heritage; and (6) people.

1. *Tourism*: Tourism is the most visible element that includes the direct marketing of attractions and scenery. This category can have undue influence on the country brand since the marketing of majestic mountains, pristine beaches or other attractions can sometimes overshadow other equally important factors.
2. *Exports*: To a large extent, countries are represented by the products they produce. ANBI gauges performance in this category by assessing consumers' levels of satisfaction with products made in a particular country. In addition, the index measures consumers' tendencies to either seek out or avoid products made in a particular country.
3. *Governance*: Governance represents the inner workings and is a substantial driver of a nation brand. The governmental structure and the

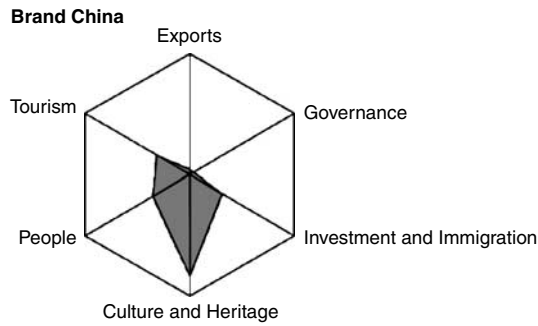
methods used to govern are widely reported in the global media. This includes a government's trustworthiness and fairness of governance that is paramount. In addition, it is important that the government take responsibility toward reduction in poverty.

4. *Investment/Immigration*: This category represents the willingness of individuals to live in a particular country for a substantial period of time. This indicator is also representative of the perceived quality of education as expatriates consider the impact on their children.
5. *Culture/heritage*: The culture and heritage category measures the appreciation of or intention to consume popular, commercial cultural products and activities.
6. *People*: As representatives, a country's citizens can widely influence perceptions of a nation brand. From a business perspective, culture represents a preference for the nationality of a job candidate. On a personal ranking, it measures the preference for a friend with a particular nationality

### China's nation brand performance

In the Q2 2005 ANBI survey, China's overall ranking was 21st out of 25. While China shows a strong ranking for culture and heritage, it ranks in the bottom third for all other aspects of the index (Anholt, 2005). As can be seen, exports and governance are the two lowest scoring categories. China's government is commonly criticised for its lack of transparency. When global citizens do not have visibility into the actions of government, it impairs their willingness to trust the country's leaders. Other legacy decisions in China's past may also play into the Governance score including decisions that impact the environment as well as human rights. Although nearly 20 years have passed, the events that unfolded at Tiananmen Square can still be viewed as one such example. Such actions can be extremely sticky in the minds of global citizens (Figure 2).

As for exports, China's score in this category should be no surprise either. This is where China's mass production of low cost — and in



**Figure 2:** China brand performance results

many cases, low quality — items is a double-edged sword. While the country has benefited by amassing a large percentage of the world’s manufacturing output, its image suffers as it attempts to gain recognition as an innovator and producer of high-quality goods.

While China has a long way to go in improving its nation brand equity, it has proven its resilience by capitalising on its rapidly growing economy. China does have the opportunity to rise quickly by executing on a carefully planned strategy.

### Using the Olympics as a branding tool

For the Olympic Games, host cities take centre-stage in the international spotlight increasing tourism and global visibility both before and after the games. Host countries also have the opportunity to project their images to the world and the potential to boost their national GDP. For example, in 1992 Barcelona increased GDP to an estimated 2.90 per cent (Satchu, 2002).

BOCOG confirmed similar expectations for Beijing as well. Beijing’s projected GDP growth is 12.3 per cent, which is higher than the rest of China and is credited to Olympic preparations. In addition, it is estimated that 1.8 million jobs will be created from 2005 to 2008 to support Olympic preparations. Lastly, Beijing is expecting to have a 0.8 per cent faster GDP growth from 2005 and beyond, when compared with the rest of the country (BOCOG, 2006).

The benefit of improving a nation’s brand can, however, be much greater than simple

financial gains from ticket sales, short bursts of tourism and other profits directly associated with the Games. The image of the nation can be transformed over the three-week period of the Games, as a global audience tunes in every day to watch the events unfold on the host country’s soil. The host country is gifted with the opportunity to present itself in any way it sees fit and the benefits can be enormous.

Perhaps the best example of this transformation was of Barcelona during the 1992 Olympic Games. Viewed as one of the most successful games in modern times, more than 9,300 athletes representing 169 countries participated. For the first time in three decades, there was no boycott. Both athletes and tourists enjoyed the city’s diverse offering including culture and nightlife and propelled Barcelona to the third most popular European destination behind Paris and London.

One of the greatest successes from the games was the coordination between the different governmental entities. The Spanish government, the Generalitat, and the Ajuntament coordinated their effort and the use of funding. The diverse group of Executives and professionals, construction workers, immigrants, unions, centre-left politicians, anarchists, community groups, private, and public interests all compromised and got things done in order to secure a different future for Barcelona.

Further evidence of the ‘Olympic Effect’ is provided by the 2002 Olympic Games in Sydney, Australia, which reestablished the city as a modern, global city. The initial aim of organisers was to target the international tourism market, and many new sporting venues were built. It was, however, the investment in the city’s transport and telecommunications infrastructure that propelled it from its former ‘outback, Crocodile Dundee’ image. The results were an increase in both visitor arrivals and convention business.

Most similar to China’s current situation, in 1964, Japan (which was at that time seen as a low cost copycat producer) successfully used the introduction of the bullet train to raise awareness that the country was a technology

leader. The train was the star of the worldwide media blitz, which showed the country at its best and served as a cutting edge indicator of a nation coming out to party (Fishman, 2005).

Atlanta's Olympic Games in 2004 produced slightly different results. Although Atlanta was able to establish itself as a global city, a bombing in the Centennial Park tarnished the branding effort for Atlanta. This single event forced the city into a multi-million dollar branding campaign to do what the Olympic Games did not.

Further learning can be drawn from the 1988 Winter Games in Calgary, Alberta. In the short term, the games legitimised Calgary as a national/international destination for business meetings and conventions as local marketers used the theme: 'Calgary: Host Consultant and Educator to the World.' As regional authorities, however, tried to promote Calgary to the rest of the province, the marketing budget was diluted, the focus blurred, and opportunities to build on the success and notoriety of Calgary and Banff diffused. The effort was defeated within a year.

## REBUILDING CHINA'S IMAGE

Tom Doctoroff, CEO of J. Walter Thompson, China and author of *Billions — Selling to the New Chinese Consumer*, calls China's opportunity 'the most ambitious brand building exercise in history' (2005). Looking at the steps that China has taken over the last few years, it is clear that it is looking to reposition itself as a new superpower. The American media has recently taken notice of China's efforts to expand and diversify its access to sources of oil in the Middle East, Africa, Latin America and Canada. The world's industrial economies, including the United States, have felt the dual impact from the loss of domestic manufacturing jobs as well as the flood of Chinese exports into their markets. Meanwhile, analysts ponder the implications for global security in light of China's military modernisation effort, now over two decades long.

When compiling all of China's goals and initiatives, they point to one desired outcome:

China seeks to obtain legitimacy as a nation that is able to impact the rest of the world. It is seeking approval for its past accomplishments, its current economic might, and its representation of approximately 20 per cent of the world's population. It understands that in order to demand such respect it needs to further enhance its global image. That is why the 2008 Games are vital to the re-branding of this nation. The Games are a tremendous opportunity for them to showcase what it can and will achieve.

## Branding China through Olympic Games

One BOCOG member states, 'China is a friendly people and the world now has the opportunity to learn about a better China ... the 550,000 plus visitors have the opportunity to see the "true China."' In order for the world to see a better China, the country, however, must start by improving the governance image that it projects. Many in the West still believe that China has an oppressive regime. Mr Anholt believes that improving China's Governance category is the only way to improve its brand in other areas. 'With low scores in governance, people may purchase products made in a particular country, but will likely not engage it in other ways ...' says Anholt.

When branding a nation, it is important to have the right strategy. This should include some kind of professional model for the brand in such a way that the brand concept will be communicated; while bearing in mind that different audiences will need different areas of interest (tourism is usually quite different than investment although they obviously are connected). China's strategy seems to be fairly rudimentary in nature: focus directly on the areas that require the most attention. The main goal that China would like to achieve is full acceptance from the international community. Going back to its focused strategy, China is addressing the core issues that have been raised in the past as a barrier of China's acceptance. The three most commonly held views of China are: (1) a general lack of human rights (Gittings,



2001); (2) low-quality manufacturing of other countries' goods (Chao, 2003); and (3) country with a poor record of environmental awareness (US Department of Energy, 2003). These themes are directly addressed in each of the Olympic committee's stated initiatives: People's Olympics, High-Tech Olympics, and Green Olympics.

### People's Olympics

China's goal is to share with the rest of the world the rich culture and history of the Chinese people. To this point, cultural background is important to the people of China: they see its 5,000 years of culture and history as a way to both differentiate and harmonise with the rest of the world. It is their belief that as the rest of the world learns about its rich cultural heritage, both east and west will come together and gain a mutual acceptance. Continued cultural exchange will allow the rest of the world to learn more about Chinese culture, better understand Chinese people, and thus have a higher level of comfort when dealing with China. China also believes that through improved cultural exchange they can better address current human rights concerns.

The need to better understand China's new position on human rights is vital because during the bidding process, both China and IOC found formidable resistance because of human rights issues. Human rights were used as an argument by the opponents as well as the advocates of the Olympic Games in Beijing, especially Beijing's opponents in the United States of America, who compared the situation with the games in Berlin in 1936 and Moscow in 1980. Detractors feared that the Chinese government could possibly use the Olympic Games as a propaganda tool to strengthen their regime and further degrade the current state of human rights in China. The advocates of the games, however, hope that the spotlight focused on China due to the Olympic Games will lead to an improvement of the human rights situation in China.

As another display of an improved relationship with its citizens, China has also

announced plans to recruit 100,000 volunteers for the Olympic Games both domestically and overseas. Qiang Wei pointed out in his speech that considerate services and sincere smiles of games-time volunteers will enhance the friendship and solidarity among people with different ethnic and cultural backgrounds and in different regions, demonstrate the unique charm of Olympic Games, and promote the harmonious development and mutual advancement of human society.

To further China's claim of sociological and political transparency, BOCOG has professed its intentions to give additional access to the western countries so that they can see how far along it has come. It would also like to show that the concerns and beliefs of the Chinese population are very important to the government and more importantly, that problems with human rights are no longer an issue in China. BOCOG also confirmed that journalists will not need visas and will be able to enter and leave China freely during the Olympics.

As human rights violations has been one of the most sensitive topics surrounding China's winning the Olympic bid, the People's Olympics initiative can improve China's rating on the People, Governance, and Culture categories of the ANBI.

### High-tech Olympics

China is also seen as the factory of the world. Uptill now, China has demonstrated the ability to produce for almost any industry. China's next step will be to advance its aspirations and show that it can deliver more than just manufacturing. China is taking conscious steps to move upwards in the world value chain.

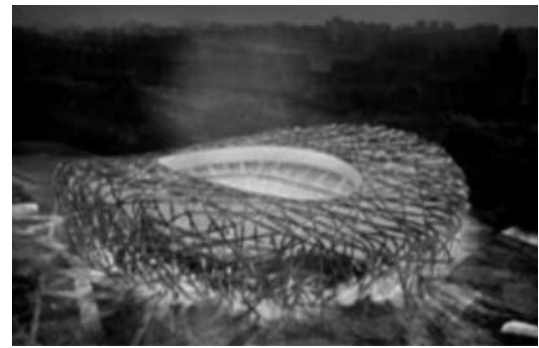
It is not that China has any plans to curtail its manufacturing base; on the contrary, the Chinese are working hard to open the western regions of the country to foreign investment so as to further develop this manufacturing base. But China is still struggling to change its world image when it comes to the overall strength of Chinese brands. An online survey by [www.brandchannel.com](http://www.brandchannel.com) in 2005 of 243

Ranking of response	Attribute
1	Cheap
2	Poor value
3	Poor quality
4	Unreliable
5	Unsophisticated
6	Innovative
7	Lack of track record
8	Dated/old
9	Largely unknown
10	Aggressive

**Figure 3:** Attributes of Chinese brands. *Source:* Swystun, 2005: The strategy for Chinese brands.

executive-level branding professionals showed some of the issues that China faces when it comes to global image. The following are some of the findings: On the question ‘Made in China helps or hurts Chinese brands?’ (see Figure 3), the majority of respondents (79 per cent) believe that a ‘Made in China’ label hurts Chinese brands. Mr Zhang Ruimin, CEO of the Haier Group has undertaken a strategy of acquiring household name brands in America as part of Haier’s stated tactic of leaving its ‘Chinese-ness’ behind in expansion markets (Swystun, 2005). When asked to provide three sentiments that best represented their impression of Chinese brands, the most common responses were: cheap, poor value, and poor quality.

Directly related to this goal, the opening ceremony will take place in ‘The Bird’s Nest,’ a brand new stadium that derives its name from its physical appearance (see Figure 4). The structure is made out of a special steel that until recently would have been imported, but through manufacturing innovation, is now made in China. The structure will require a total of 40,000 tons of steel and it is a technological achievement of which China is extremely proud. Another step towards achieving a more positive technology-driven image is its magnetic levitation or ‘MAGLEV’ train. This train is the fastest in the world running at speeds of nearly 300 miles per hour. Currently, a test train is



**Figure 4:** Artist’s rendition ‘Bird’s Nest’

running a short distance within Shanghai delivering people from the centre of the city to the new airport. Plans, however, are in place to run a high-speed link between Beijing and Shanghai. Much like Tokyo in 1964, the first run coincides with the Olympic Games. At a price tag of \$1.2bn for the test link and \$16bn for the intercity link, China is investing in the prestige of having intangible rewards (Fishman, 2005).

China’s efforts to promote its capabilities are demonstrated by the number of Chinese companies that have been selected as sponsors for the Olympic Games. This is done to help boost not only the company brands but also China’s brand. This list includes some of China’s most well-known companies such as Lenovo and China Mobile that will help them and their home country gain international recognition for their stature.

The high-tech initiative can directly impact the exports and investment/immigration ratings of the ANBI framework. As China continues to improve in the area of technology, its exports should increase not only in volume, but they should also increase in value when considering that this increase will allow China to move more upscale and therefore demand a higher premium for Chinese goods. Subsequently, it should also allow the improvement of quality of life in China, thereby making it more palatable for Chinese citizens and as well as making it more desirable for westerners and others to move to China.

## Green Olympics

For the last quarter of the 20th century and coming into the 21st century, environmental concerns have garnered more and more attention from the western world. For many years, the US and Europe have set regulations to protect the environment. China has been lacking in the area of such concerns, and given the speedy development of Chinese manufacturing, environmental issues are looming bigger by each passing day. China understands the importance of having a clean environment and is taking numerous steps to achieve this. Given the current state of China's environmental condition, it is easy to see why China had to take action if it was to secure the Olympic bid. In order to ease IOC concerns, China demonstrated that environmental improvement will be a priority through the implementation of the Green Olympic initiative. Through this initiative, China is spending more than \$12bn on environmentally related projects. The development of new technologies such as the use of geothermal heat was announced in the application forms submitted to the IOC. By 2007, Beijing plans to supply five billion cubic meters of natural gas annually with the hopes of reducing the dependency on coal and other fossil fuels.

To further bolster its commitment to improving its environmental policies, Beijing will also build its largest city park: the Olympic Forest Park. This park will become the 'back garden' of the Beijing 2008 Olympic Games and will be able to host in excess of 35,000 people. The environmental goals that China has set forth are not only very aggressive but also very difficult to measure. China has promised to have clean skies for the Olympics, yet Beijing is still a polluted city and blue skies are hard to find. Currently, China has taken many steps to achieve its goals, yet it appears that it will be very difficult to achieve all of them.

When comparing the Green Olympic goal to the ANBI framework, we can see that with a more aggressive environmental posture (which China has taken), China stands to benefit in the areas of both governance and investment/

immigration category. By taking solid steps toward improving environmental conditions, China's government will garner more respect as a responsible administration. Subsequently, it will also attract additional foreign investment.

## RECOMMENDATIONS

So far China has made multiple steps in the right direction with regard to making good use of this branding opportunity. Operationally, China undoubtedly has the necessary capabilities. Construction of the Olympic facilities is on schedule and all facilities will be tested well in advance of the 2008 Games. This is an important part of the image-building process as China does its best to avoid any preconceived notions of disappointment or lack of sincerity even before the Games have started.

China has done much to ensure that the world perception of China will be changed and that the world will view China as a global-friendly, green, cultured nation and on the cutting edge of technology. The following recommendations would help China's efforts in its branding campaign.

### Establish a clear message and execution plan

As discussed above, China has addressed the main key areas that will help improve its brand image. The efforts currently undertaken will help China to show the world their capabilities and emphasise the fact that they have arrived as a superpower. Yet, to make the most of this opportunity, China should take extra steps to ensure that the message is clearly defined and well understood by key organisations. The message should not only be crystal clear but all the execution steps to achieve that message should be identified as well, in order to allow the government and other organizations to be successful. For example, one of China's initiatives is the Hi-Tech Olympics. In order to ensure that the Olympics do not become just a publicity splash, China should put in place a clear plan to achieve their goal. This plan should include their key industries that will be promoted as well as key companies within these

industries. These companies should be selected to help China get the message across via either sponsoring the Olympics or playing a part in the Olympic coverage/story. While some steps have been taken by selecting domestic companies such as Lenovo and Air China, a bigger effort needs to be put in place. The message should not be simply a Lenovo message but also should be part of the overall message that promotes China's high-tech capabilities.

### **Promote visibility**

As stated above, China has taken action to allow easier access for journalists covering the Games. This is a great first step but much more can be done to ensure that China is able to highlight progress in specific areas.

China has taken tremendous steps to promote Olympic Games domestically. The Olympic signs and the mascots are on every corner in China, especially in Beijing. Yet little has been done outside the borders. Although the message is everywhere domestically, international communication has been virtually non-existent. One might argue that it is still too early for such communications. No evidence, however, exists of even plans of such public relations events. Once the Games begin, China will have even more opportunities. One way that BOCOG might consider to achieve more visibility on the Games is to showcase families of Olympic athletes or even construction workers of Olympic venues. Similar vignettes were utilised for Australian Olympians during the 2000 Olympic Games in Sydney. It is important that the world gains visibility to the human faces of a previously guarded nation.

### **Sustain the message**

Even if China is successful in promoting its message before and during the Olympics, a lot must be done to fully realise its goals. Notwithstanding the recommendation made earlier regarding international promotion of China's message, this single event ultimately takes place over a three-week period of time. As with any other form of branding, the message must be broadcast repeatedly in order to 'stick'

in the mind of the intended receivers. The messages presented thus far are easily transferable to other venues. What will be China's communication platform at the end of the 2008 Games? China has taken the first step in this area by winning the bid for the 2010 World Expo. China, however, does not appear to be active in bidding for additional events. These could include sporting or non-sporting events including World Cup events, cycling events, and other international expositions to name just a few.

### **Measure progress**

In an effort to gauge the success of the Olympic initiative as well as future increases in national brand equity, China still has an opportunity for development in the area of a formalised measurement process. By developing and implementing a method to quantify advancements in areas similar to those listed in the ANBI model (ie tourism, manufacturing etc), as well as GDP and overall economic growth, China can assign a value to its national brand equity and hopefully recognise and address any areas that fall below expectations. Some would argue that such a measurement tool is impractical because it attempts to quantify characteristics that are more readily adapted to a qualitative concept (national brand equity). Although China has made great strides in the forum of low-cost manufacturing, its overall brand image is far below expectations. Low-cost manufacturing cannot and will not be the tool to display all that China has to offer. By examining and responding to growth from multiple perspectives (such as the ANBI), China can, however, further develop its desired perception by the rest of the global community.

### **CONCLUSION**

As China moves forward on becoming a great power in the international arena, it is working on improving the national brand image. China understands that the Olympics are a great opportunity to show the world how far it has come. It has also identified key areas to address its branding issues during the Olympics. The

goals that China has set forth support a common message that China is well on its way in the forum of industrialisation. Also it wants to invite the world to see a side of China that is often missing from the world scene. It wants to show the world the depth of its culture of which China is so proud.

While China has successfully identified the key points that the branding effort should focus on, more should be done to better coordinate the efforts internally and internationally. Better coordination and focus will ensure that the message will have a better impact. More can be done to put a personal touch on the Olympic Games by showing the world, the people behind the Games.

One thing is certain; China has arrived as a world power. The 2008 Olympic Games will be a celebration of its achievements and the world will be given an opportunity to witness firsthand all that China has accomplished.

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**Appendix**

**Anholt-GMI Nations Brand Index, Q1 2006**

NBI 2006 01	
Overall ranking	Ranking
United Kingdom	1
Italy	2
Switzerland	3
Canada	4
Germany	5
France	6
Sweden	7
Japan	8
United States	9
Australia	10
Spain	11
Holland	12
Norway	13
Denmark	14
New Zealand	15
Belgium	16
Ireland	17
Portugal	18
China	19
Russia	20
Hungary	21
Brazil	22
Singapore	23
Argentina	24
India	25
South Korea	26
Mexico	27
Czech Republic	28
Egypt	29
Poland	30
South Africa	31
Malaysia	32
Estonia	33
Indonesia	34
Turkey	35
Bhutan	36
Exports overall ranking	Ranking
Japan	1
United States	2
Germany	3
United Kingdom	4
Switzerland	5
France	6

## Appendix: Continued

Exports overall ranking	Ranking
Sweden	7
Canada	8
Italy	9
Holland	10
Australia	11
Denmark	12
China	13
Norway	14
South Korea	15
Belgium	16
Russia	17
Spain	18
Singapore	19
New Zealand	20
Ireland	21
Portugal	22
India	23
Hungary	24
Malaysia	25
Brazil	26
Argentina	27
Czech Republic	28
Poland	29
South Africa	30
Indonesia	31
Mexico	32
Estonia	33
Egypt	34
Turkey	35
Bhutan	36

Governance overall ranking	Ranking
Switzerland	1
Sweden	2
Canada	3
Norway	4
Holland	5
Denmark	6
Australia	7
Belgium	8
Germany	9
New Zealand	10
United Kingdom	11
France	12
Spain	13
Italy	14
Portugal	15
Japan	16
Ireland	17
Hungary	18
Singapore	19
United States	20
Poland	21
Czech Republic	22
Estonia	23
Brazil	24
Argentina	25
South Korea	26
Mexico	27
Malaysia	28
Egypt	29
India	30
Bhutan	31
Turkey	32
South Africa	33
Russia	34
Indonesia	35
China	36

People overall ranking	Ranking
Canada	1
Australia	2
Sweden	3
Italy	4
Switzerland	5
Spain	6
New Zealand	7
United Kingdom	8
Holland	9
Norway	10
Denmark	11
Japan	12
Germany	13
Ireland	14
United States	15
Belgium	16
Portugal	17
France	18
Brazil	19
Hungary	20
Argentina	21
Mexico	22
Singapore	23
India	24
Poland	25
Czech Republic	26
Russia	27
Malaysia	28
China	29
South Korea	30
Estonia	31
South Africa	32
Indonesia	33
Egypt	34
Turkey	35
Bhutan	36

Tourism overall ranking	Ranking
Italy	1
Spain	2
France	3
Switzerland	4
Egypt	5
Australia	6
Canada	7
United Kingdom	8
New Zealand	9
Japan	10
Sweden	11
China	12
Norway	13
Portugal	14
Holland	15
Ireland	16
Mexico	17
Brazil	18
Germany	19
India	20
Denmark	21
United States	22
Russia	23
Argentina	24
Belgium	25
Hungary	26
South Africa	27
Malaysia	28
Indonesia	29

Appendix: Continued

<b>Tourism overall ranking</b>	<b>Ranking</b>
Turkey	30
Singapore	31
Czech Republic	32
Poland	33
South Korea	34
Estonia	35
Bhutan	36

<b>Investment overall ranking</b>	<b>Ranking</b>
United Kingdom	1
United States	2
Canada	3
Switzerland	4
Australia	5
France	6
Sweden	7
Germany	8
Italy	9
Holland	10
Spain	11
New Zealand	12
Denmark	13
Norway	14
Japan	15
Belgium	16
Ireland	17
Portugal	18
Singapore	19
Hungary	20
Argentina	21
Brazil	22
Russia	23
China	24
South Korea	25
Czech Republic	26
Poland	27
Mexico	28
Malaysia	29
Estonia	30
South Africa	31
India	32
Indonesia	33
Egypt	34
Turkey	35
Bhutan	36

<b>Culture overall ranking</b>	<b>Ranking</b>
Italy	1
France	2
United Kingdom	3
United States	4
Germany	5
Spain	6
China	7
Russia	8
Japan	9
Sweden	10
Holland	11
Norway	12
Canada	13
Portugal	14
Australia	15
Switzerland	16
Brazil	17
Denmark	18
Argentina	19
Belgium	20
India	21
Ireland	22
Egypt	23
Hungary	24
Mexico	25
South Korea	26
New Zealand	27
Czech Republic	28
South Africa	29
Poland	30
Turkey	31
Estonia	32
Indonesia	33
Singapore	34
Malaysia	35
Bhutan	36

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