



WHAT WORKS: BRANDING CONCEPTS IN THE CONTEXT OF CHINA

August. 2020

HONG KONG | BEIJING | SHANGHAI
www.daxueconsulting.com

Meaning of a brand and branding for us

“

A recognizable expression

Steffi Noel

“

A perception of one company

Cassie Chen

“ How an entity/organization is recognized and perceived by consumers

Zhe Tao

“ A series of insignias that appeal to consumer emotions and guide purchase decisions

Allison Malmsten

BRAND

“

Brands are the nations of the 21st century. They develop values, communities, flags, territories.

Matthieu David

“ Adding value beyond the product or service itself

Mike Vinkenborg

“ A symbol that consumers can easily identify

Bokuan Chen

“ A reference point to help the consumer navigate an increasingly complex world

Remi Blanchard

“

The process of creating awareness and perception towards the brand for the consumers

Min Chun

“

Building a strong emotional connection with the customer

Sofya Bakhta

“

The simplified embodiment of a complex offer

Remi Blanchard

“

A system that structures the adequate expression of the brand identity

Matthieu David

BRANDING

“ Telling a good story; building a solid brand moat which ensures consistency

Shuyi Han

“

Finding a group of people who resonate and agree with your brand

Meina Dong

“

Creation of a brand personality

Mike Vinkenborg

“

Adding a spirit to a brand by showing at the same time, its heritage, value proposition and its future

Steffi Noel

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Branding: The Basics



We all know what a brand is. But what exactly does it do?

A brand is the starting point and the face of a business strategy

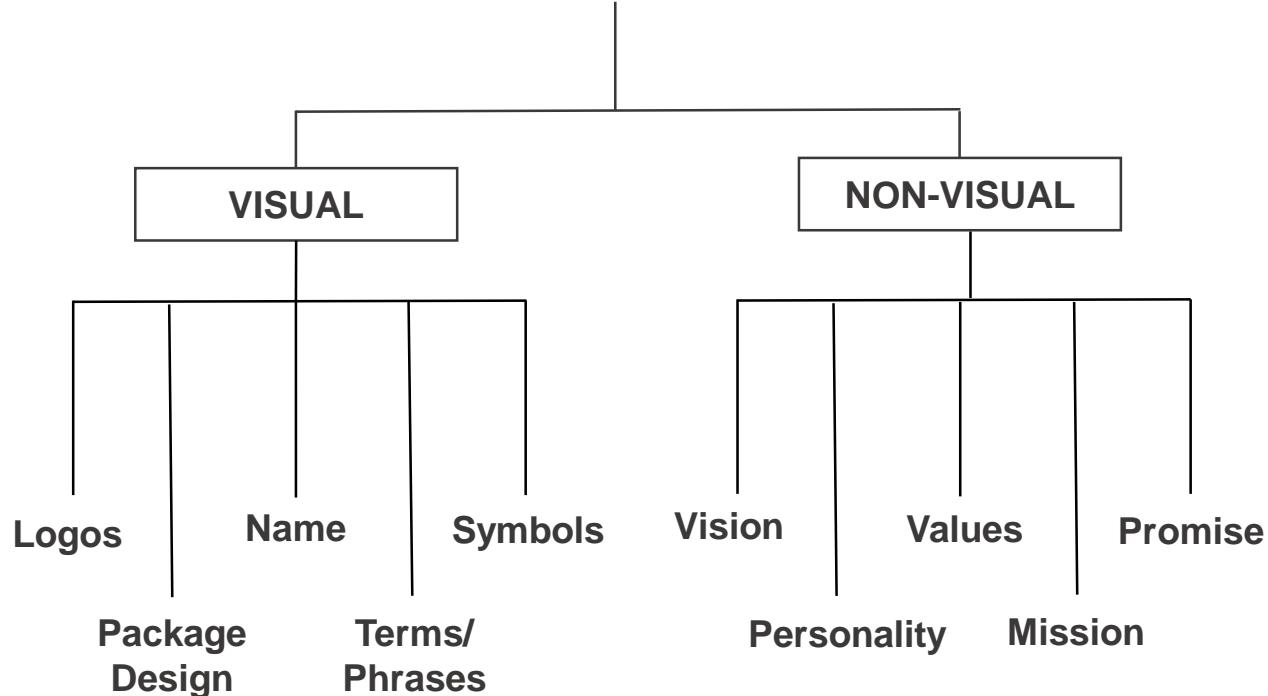
3 functions of a brand:

✓ **Navigation:** Helps consumers **choose between existing choices** on the market

✓ **Reassurance:** Reassures customers that they have **made the right choice** by showcasing the qualities of the product or service

✓ **Engagement:** Helps customers **identify with the company** and connect with others while differentiating themselves

Components of a Brand



“Brand value is very much like an onion. It has layers and a core. The core is the user who will stick with you until the very end.

—Edwin Artzt, former CEO at P&G

Source: Marketing Management 14th Edition by Kotler and Keller

What professionals say about crafting a brand identity

Brand identity fuels recognition and amplifies differentiation

Brand identity is the **tangible expression** of the brand and takes disparate elements and unifies them into whole systems.

What are the **tangible expressions** of a brand?

Strong visual identity and brand design system that makes a brand recognizable without the name or logo being visible



What are the 3 functions of **brand identity**?

- Fuels recognition
- Amplifies differentiation
- Simplifies “big concepts” behind a brand to make it more tangible and concrete for the target audience

Design plays an essential role in creating and building brands. Design differentiates and embodies the intangibles - emotion, context, and essence - that matter most to consumers.

—Moira Cullen, Senior Director, Global Design. The Hershey Company

Source: *Designing Brand Identity (Fourth Edition)* by Alina Wheeler

What daxue consulting considers as brand identity essentials

Meaning

What the brand stands for; a big idea, or values, and it can evolve overtime.

Hotel chain Marriot in Chinese is Wan Hao (万豪), which means "10,000 wealthy elites," perfect for a brand focused on the luxury travel market.

Coherence

Conveying a consistent identity in which the company is clear about how it wants to be perceived.

Entering China, **L'Occitane** kept its original skincare line and image as simple, fresh and authentic.



Value

Creating value for your audience, such as having corporate social responsibility, being environmentally conscious, etc.

ICICLE, an eco-friendly fashion brand founded in Shanghai, offers ethical products to its customers.

Vision

A compelling vision conveys how the brand imagines the future and where the brand wants to lead its audience.

Coca-Cola's vision is to craft the brands and choice of drinks that people love, to refresh them in body and spirit.

Authenticity

Making decisions that are consistent with the brand's image and values.

Arla, a Danish top-selling dairy brand in China, emphasizes they are royally certified, and they promise on delivering "natural, no preservatives" products.

Flexibility

It is necessary to be flexible to the unpredictable market evolution while maintaining the same identity.

McDonald's in China adapted their services in food delivery and production during the peak of COVID-19.

Consistency is core to a strong brand identity, SUPERMONKEY shows us why

SUPERMONKEY's brand identity enhances recognition and differentiation in the face of competitors



SUPERMONKEY 超级猩猩健身

按次付费、不办年卡，专业教练、没有推销。
首次体验39元起！所有健身课程均在线上...

SUPERMONKEY uses **WeChat** as their primary online platform to attract and retain customers. The first thing one sees on their page are **their selling points**: “pay by the class, no membership card, professional trainers, and no sales.” Gyms are breaking out of the traditional long-term membership deals. This matches with the modern Chinese consumer's desire for flexibility and instantcy.

What makes their brand identity distinctive and recognizable?

- ✓ **Strong and clear vision** as a trendy fitness center in eight major Chinese cities: “Super Life, Super Me”
- ✓ **Coherent store décor** as a self-served gym; yellow = energy, gorilla = power, black = Contrasts with yellow
- ✓ **Ubiquitously located** in malls around office areas for urban working individuals
- ✓ **Convenient** pay-per-use model through instant class registration in WeChat mini program



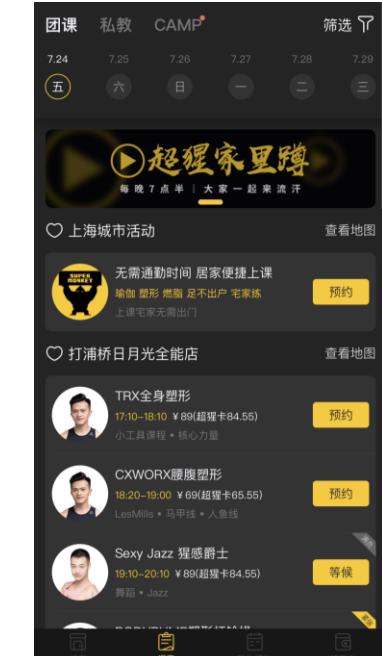
Location search in WeChat



Popular classes in WeChat



Class registration in WeChat



Brand equity is all about customers' point of view (1/4)

Brand equity = brand awareness + brand loyalty + brand image + (brand elements + marketing activities and supporting programs + brand association)

Brand Awareness

Extent to which customers are able to recall or recognize a brand

- **Top-of-mind:** consumers mention the brand spontaneously
- **Aided:** consumers claim knowing the brand after being shown stimulus

Brand Image

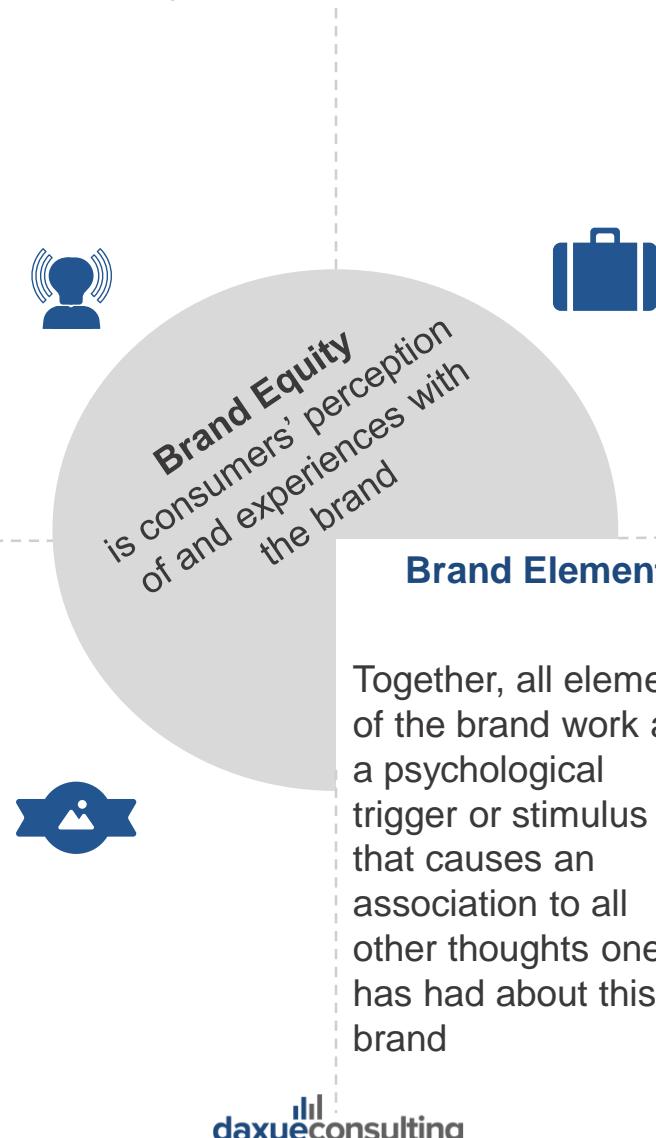
A set of beliefs consumers hold about a brand

Conveys emotional value and not just a mental image

Brand Loyalty

Tendency of consumers to continuously purchase one brand's products over another

One brand-building goal is to strengthen the size and intensity of each loyalty segment



Together, all elements of the brand work as a psychological trigger or stimulus that causes an association to all other thoughts one has had about this brand

Marketing Activities + Supporting Programs

The number of marketing activities is limited only by your imagination

It must align with local culture and tastes

Digital and mobile marketing are a critical part of the mix for reaching Chinese consumers

Brand Associations

Anything that connects the customer to the brand

Include product attributes, design, user imagery, product breadth, innovation, brand personality, and symbols

What drives brand equity? (2/4)

Brand elements are just the start of a customer's brand perception

Name

The Chinese name is a **phonetic translation**. When combined, the two **characters inspire perseverance**. Its name is also simple, has a direct product link, and has a positive meaning, making it **easily reachable** to local consumers.

Symbol

Nike is the Goddess of Victory in Greek mythology. The Swoosh logo is derived from the goddess' wing 'swoosh,' which **symbolizes speed, power, movement, and motivation**. The tick mark also stands for "correct" and "yes," applicable to many cultures.



Nai Ke
耐 克
/ \
endure overcome

Logo

The Swoosh logo is one of the most recognizable and valuable brand logos in the world. The logo and the Nike's trademark "Just Do It" make up the core of the brand.

Design

The **simple design conveys motion and speed**, and it illustrates half of a running track. When placed on a shoe, the logo design also looks **clean and classic**, also making it memorable to the consumer.

What drives brand equity? (3/4)

Marketing activities build on Chinese customers' view of your brand

A culturally conscious campaign is a quality campaign

Nike's 2020 Chinese New Year advertisement tells a coming of age story featuring a Chinese girl and her connection with family, while promoting running shoes. **Chinese consumers appreciate how much a brand understands their culture**, earning the campaign much social media buzz.

2 MARKETING ACTIVITIES + SUPPORTING PROGRAMS

Promoting a brand's products through culturally conscious means



What drives brand equity? (4/4)

Associations are the immediate connections a customer makes with your brand

Innovative Technology

Nike has established themselves as an industry **leader in technology development**, with new and improved products year after another.



High Quality Products

Over the years, Nike's brand equity in China has increasingly become a **brand with stylish street fashion** as well. Consumers have associated their products with style and performance.

3

ASSOCIATIONS

What comes to mind when a consumer thinks of a brand, such as a person, place, or thing

至臻我敢

Just do it.
nike

Success and Achievement

Nike's use of celebrity endorsements makes consumers **associate ideas of success, talent, and winning** with their products.



Sports

Nike associates its brand with famous athletic celebrities with similar personalities as the brand. They are mostly high-achievers.

Each customer touchpoint is an opportunity to communicate (1/3)

Touchpoints drive brand awareness and brand loyalty

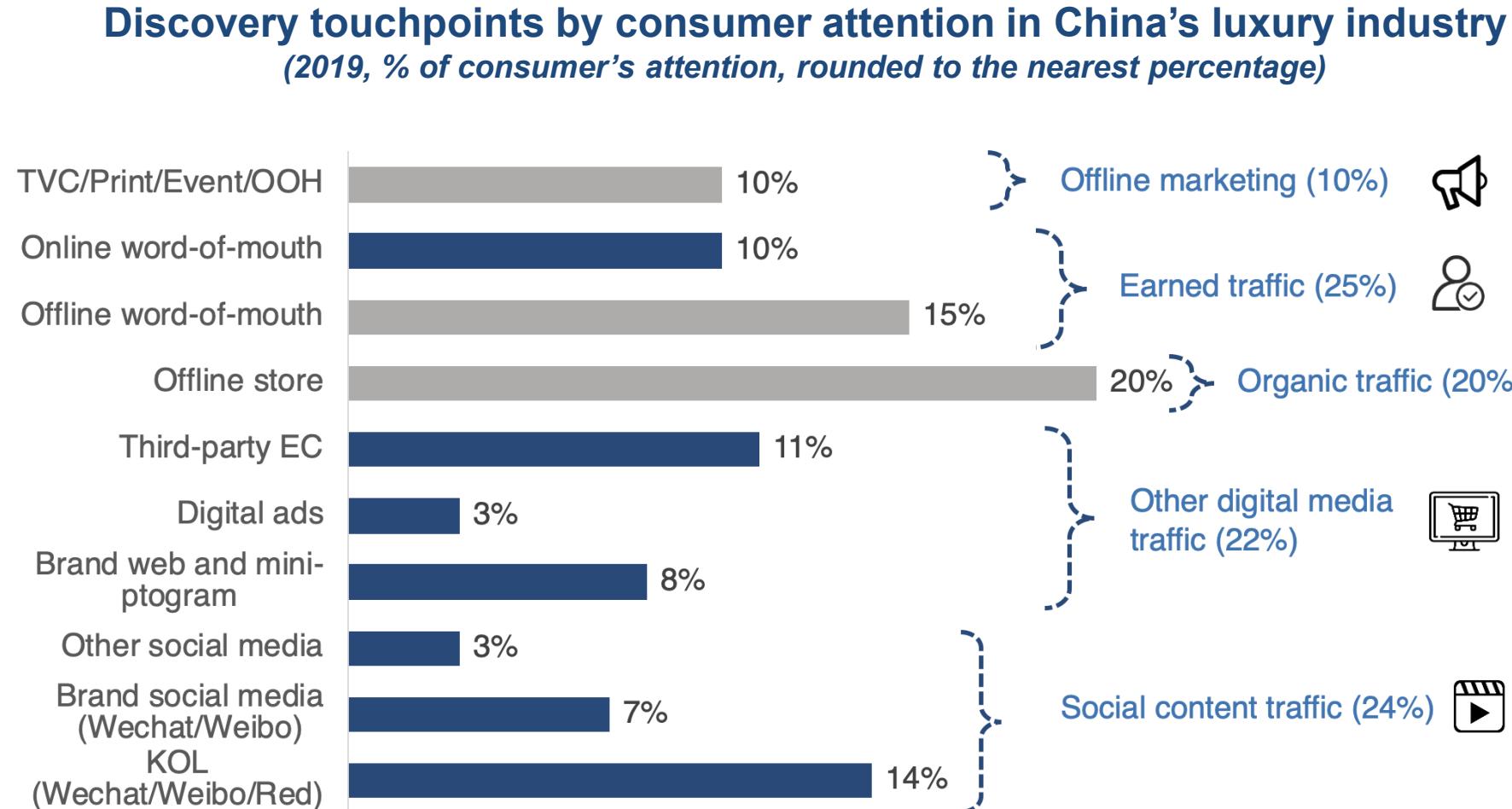
A customer touchpoint is **any bit of interaction or communication** made between a brand and its customers, from when they first become aware of it, until they dispose of it.

An identity should be expressed in every touchpoint.



Discovery touchpoints in China: Fostering customer-brand connection (2/3)

Illustration: What triggered Chinese consumers' interest in luxury brands/products?



Online/mobile
Offline



55%

of luxury consumer's attention for discovery touchpoints are **online**:
social media, other digital channels, or online word-of-mouth

China's strong digital landscape is backed by smooth touchpoints (3/3)

Interconnected digital touchpoints make for a frictionless customer experience

One observes ...

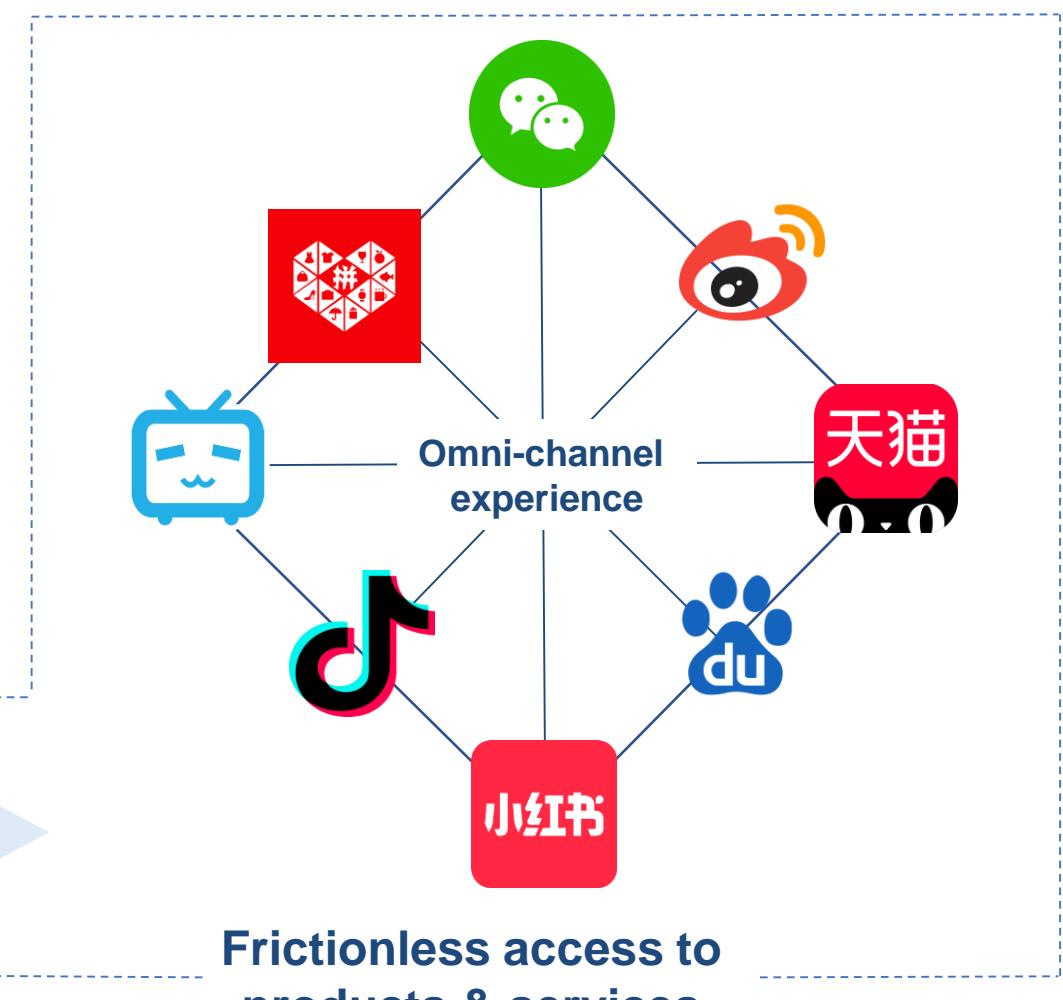
an increasingly **more digital and mobile-centric lifestyle** in China

With the risk of ...

multiple touchpoints and a **fragmented consumer shopping journey**

So, brands need to ...

offer **smoother user navigation** from traffic generation (promos) and conversion platforms (sales)





Consumer expectations in China are extremely high, and they expect a seamless experience. They don't see the difference between the online and offline world, and therefore expect all the brand touchpoints to fully reflect the brand.

Louis Houdart, Founder & CEO at CREATIVE CAPITAL

Create clarity from chaos: Build a brand hierarchy within one company (1/2)

Get a clear view and organize different subsections of your brand

Brand architecture: the interrelationship of the parent company, subsidiary companies, products, and services within one organization.

Key questions to answer before deciding on brand architecture:

- What are the **benefits of leveraging** the parent company's identity?
- Does the **positioning of the new entity** require distancing from its parent company? (e.g. in the case of 2 very different industries)
- Will **co-branding** confuse consumers? (Current and prospects)
- Should we ensure that the **parent company is always visible** in a secondary position?
- How do we **brand this new acquisition**?



Source: Marketing Management 14th Edition by Kotler and Keller

The types of brand architectures with Chinese examples (2/2)

Branded House

One strong master brand, and all sub-brands use the same master brand and only differentiate in their descriptions.

It capitalizes on established customer loyalty where audiences care less about product features or benefits than they do about the central brand promise they know and love.



天猫超市
CHAOSHI.TMALL.COM

天猫国际
TMALL.HK

House of Brands

Company oversees a set of independently-operated brands.

The parent brand is primarily important only to the investment community.



Endorsed

A portfolio of independent brands, each endorsed by the organizational parent brand. The sub-brands benefit from their association with, or endorsement from, the parent.

An endorsed strategy is one where you'll find messaging like "brought to you by..."



Hybrid

Combination of other types;
Offers the flexibility of having multiple tiers of distinct hierarchies.

A hybrid model offers the flexibility of having multiple tiers of distinct hierarchies, including varying levels of market-facing brands subservient sub-brands.



锦江之星 品牌 Select
JI JINJIANG INN Select

锦江之星
JI JINJIANG INN

锦江之星 风尚 Style
JI JINJIANG INN Style

金广快捷酒店
GOLDMET INN

百时快捷酒店
Bestay HOTEL EXPRESS

白玉兰酒店
White Orchid Hotel

What does this all mean for China?

Treat branding in China like a new chapter



“ Entering China is to start again.

Matthieu David, Founder & CEO at daxue consulting

Any brand must reconsider the basics when entering the Chinese market,
even brands which are well-known and established outside of China.

JellyCat stays versatile to enter China's market

The British brand earns success with strategic branding on Tmall

Change in brand positioning

Initially positioned as a children's toy, British brand JellyCat didn't generate as much revenue in China. It was **rebranded as more of a fashionable accessory instead of a toy**, which appealed to young women who put JellyCat inside their bags to accompany them at work.

8:30 am

穿上厚厚的羊毛大衣，与冷空气作斗争，准备出门工作啦。今天也是元气满满的一天哦~



9:00am
准时到公司，开始忙碌而充实的一上午~



Success:
#1 in Tmall's
plush toy
category



Appeal to Chinese consumers

jELLYCAT GOSSIP: 英国皇室御用细节大曝光!

jELLYCAT jELLYCAT 2018-05-11



在山的那边海的那边有一位小公主，
她美丽又活泼，
她调皮又灵敏，
还有，
她今年三岁啦！



从她出生那刻起，
上帝就派给了她一个世间最英俊的小卫兵，
从此陪伴她、保护她，一起长大。



Highlighting that their products are **popular among the royal family** shows they are worth a higher price than local competitors.



Emphasizes that a JellyCat toy has grew up with Princess Charlotte to protect and accompany her.



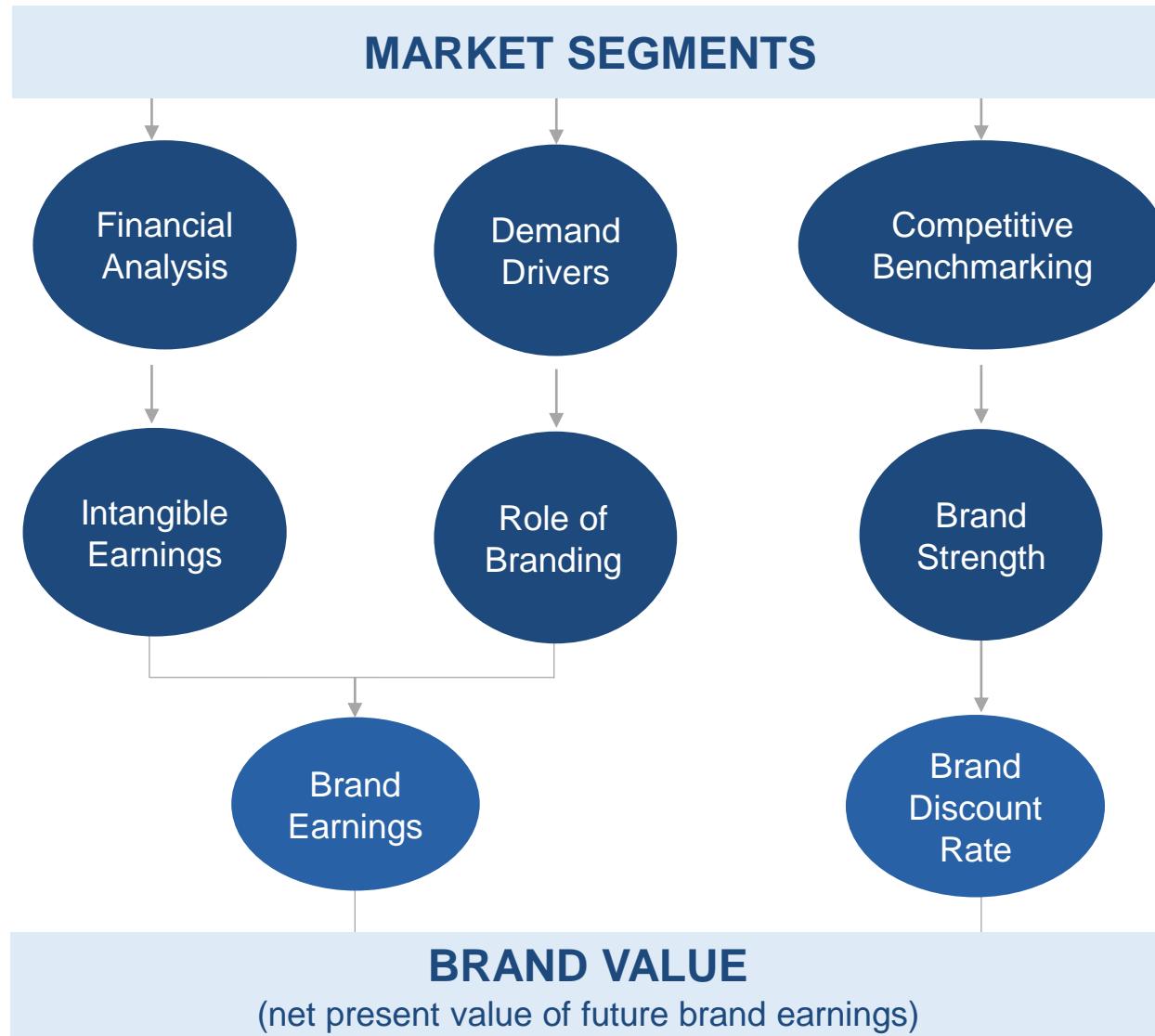
*We used a lot of **UK-related elements** to show the product was premium. To create a storytelling, the **royal family was the theme** that we used [a few years back].*

Renata Thiebaut at Web2Asia, Tmall Partner agency of JellyCat

By-the-numbers: Brand Measurement



How to calculate the value of a brand



- Market Segmentation** – Divide the market(s) into mutually exclusive segments
- Financial Analysis** – Assess purchase price, volume, and frequency to get Economic Earnings
- Role of Branding** – Represents the percentage of Economic Earnings the brand generates; multiplying the Role of Branding by Economic Earnings yields
- Brand Strength** – To determine the likelihood that the brand will realize forecasted Brand Earnings
- Brand Discount Rate** – Add brand-risk premium to the risk-free rate, which is applied to the forecasted Brand Earnings forecast to yield net present value of the Brand Earnings
- Brand Value Calculation** – Net present value (NPV) of forecasted Brand Earnings discounted by the Brand Discount Rate

Source: Marketing Management 14th Edition by Kotler and Keller

World's Most Valuable Brands in 2020

= Chinese brand

= not in China

Rank	Brand	Category	Brand Value 2020 \$Mil.	Brand Contribution	Brand Value % Change 2020 vs. 2019	Rank Change	Country of Origin
1	amazon	Retail	415,855	4	+32%	0	USA
2	apple	Technology	352,206	4	+14%	0	USA
3	Microsoft	Technology	326,544	4	+30%	1	USA
4	Google	Technology	323,601	4	+5%	-1	USA
5	VISA	Payments	186,809	4	+5%	0	USA
6	Alibaba Group 阿里巴巴集团	Retail	152,525	3	+16%	1	China
7	Tencent 腾讯	Technology	150,978	4	+15%	1	China
8	FACEBOOK	Technology	147,190	4	-7%	-2	USA
9	McDonald's	Fast Food	129,321	4	-1%	0	USA
10	Mastercard	Payments	108,129	4	+18%	2	USA
11	AT&T	Telecom Providers	105,833	3	-2%	-1	USA
12	verizon	Telecom Providers	94,662	4	+0%	-1	USA
13	Coca-Cola	Beverages	84,022	5	+4%	1	USA
14	IBM	Technology	83,667	4	-3%	-1	USA
15	Marlboro	Tobacco	58,247	3	-19%	0	USA
16	H&M	Retail	57,585	3	+8%	3	USA
17	SAP	Technology	57,578	3	+0%	-1	Germany
18	Heublein	Alcohol	53,755	4	+58%	17	China
19	LOUIS VUITTON	Luxury	51,777	4	+10%	3	France
20	ups	Logistics	50,748	4	-8%	-2	USA
21	Nike	Apparel	49,962	4	+5%	0	USA
22	Disney	Entertainment	48,802	4	-14%	-5	USA
23	PayPal	Payments	48,453	5	+10%	3	USA
24	Starbucks	Fast Food	47,753	4	+4%	0	USA
25	xfinity	Telecom Providers	46,973	3	-4%	-5	USA

Rank	Brand	Category	Brand Value 2020 \$Mil.	Brand Contribution	Brand Value % Change 2020 vs. 2019	Rank Change	Country of Origin
26	NETFLIX	Entertainment	45,889	3	+34%	8	USA
27	Walmart	Retail	45,783	2	+24%	5	USA
28	Spectrum	Telecom Providers	42,917	2	+12%	2	USA
29	Instagram	Technology	41,501	4	+47%	15	USA
30	accenture	Technology	41,437	3	+6%	-2	USA
31	ICBC 中国工商银行	Regional Banks	38,149	2	-1%	-2	China
32	T-Mobile	Telecom Providers	37,297	3	-16%	-7	Germany
33	intel	Technology	37,257	2	+17%	3	USA
34	CHANEL	Luxury	36,120	5	-2%	-3	France
35	Adobe	Technology	35,904	2	+29%	10	USA
36	中国移动 China Mobile	Telecom Providers	34,583	4	-12%	-9	China
37	YouTube	Entertainment	33,976	4	+15%	2	USA
38	中国平安 PINGAN	Insurance	33,810	3	+15%	2	China
39	HERMES PARIS	Luxury	33,008	5	+7%	-2	France
40	SAMSUNG	Technology	32,580	4	+7%	-2	Korea
41	salesforce	Technology	30,489	3	+13%	5	USA
42	Wells Fargo	Regional Banks	30,443	3	-34%	-19	USA
43	LinkedIn	Technology	29,936	4	+31%	15	USA
44	L'ORÉAL PARIS	Personal Care	29,468	4	+4%	-1	France
45	HUAWEI	Technology	29,412	3	+9%	2	China
46	American Express	Payments	29,333	4	-16%	-13	USA
47	Costco Wholesale	Retail	28,677	3	+35%	15	USA
48	TOYOTA	Cars	28,388	4	-3%	-7	Japan
49	GUCCI	Luxury	27,238	5	+8%	3	Italy
50	ORACLE	Technology	26,925	2	+2%	0	USA

Source: BrandZ and Kantar

Brand Value =
Corporate Earnings x
Attribution Rate of the
Brand

20% of the top
100 are tech
companies

18 Chinese
brands are in
the top 100

Top 10 Chinese Brands and World's Rising Brands in 2020

= Chinese brand

= not in China

Top 10 risers in 2020 (vs 2019)



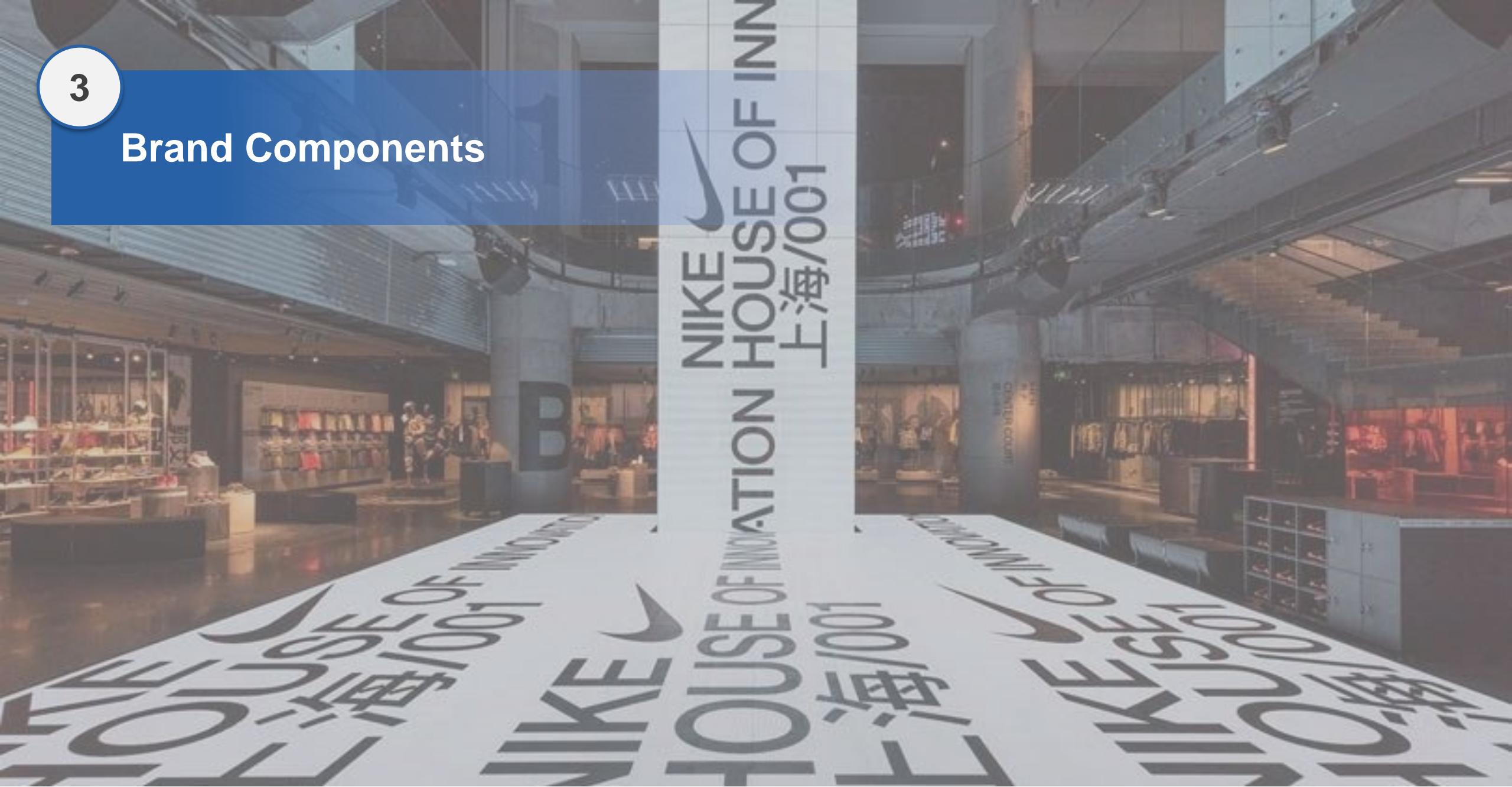
Value change	Brand	Rank	Brand	Brand value
+58%	Moutai	1	Alibaba	140,953
+47%	Instagram	2	Tencent	138,158
+40%	Lululemon	3	ICBC	40,725
+35%	Costco	4	China Mobile	39,103
+34%	Netflix	5	Moutai	36,555
+32%	Amazon	6	Huawei	33,167
+31%	LinkedIn	7	Ping An	26,967
+30%	Microsoft	8	Baidu	26,710
+29%	Adobe	9	China Const. Bank	22,841
+27%	Meituan	10	JD	21,183

Top 10 Chinese brands



Source: BrandZ and Kantar

Brand Components



The first step in establishing presence in China (1/5)

Chinese brand naming process: 80% research and 20% creativity

Unique challenges of naming in Chinese

- 9,400 characters, of which only 3,500 are frequently used
- Literal, cultural and historical context for each character
- Balance the tones so that it flows off the Chinese tongue
- Check the meaning in different dialects

Characteristics of a good Chinese name

- It is descriptive, easy to remember and conveys a specific feeling
- It differentiates the brand from competitors and is visually and acoustically appealing
- It conveys the history of the brand and its essence

Fundamental naming principles in China

- A Chinese name should reflect the brand's attributes. It does not necessarily have to be a direct or phonetic translation of the original name
- The emphasis on auspiciousness, good fortune, happiness, power, and status is highly important in Chinese culture
- Brands must be aware of the intellectual property regulations in China

Examples



The three Chinese characters combined means 'bring happiness and joy home,' which attracts local consumers. It also reflects a positive image as a grocery retailer.



The naming is consistent with the platform's concept for young professionals to achieve their dreams in the workplace.



Although 'Bing' is the pronunciation for sickness (病) in Chinese, the company's Chinese naming leads people to think of the phrase 'responding to every request consistent,' with its positioning as a fast and efficient search engine.

Luxury brands often earn easy-to-remember nicknames in China (2/5)

Using a nickname to identify a brand is common, especially for beauty/cosmetics products

杨树林 “Yang Shu Lin”

Posts Store Users

General Hot New Video Filter

全部 口红 小金条 气垫 杨树林包 唇

YSL VINYL CREAM LIP STAIN #433 BEIGE REMASTERED

软软的温柔感！白桃茶冻～杨树林唇釉新色433这段...

我宣布！这支已经成为我最爱的心形 YSL 圆管！我终...

鱿鱼鱿鱼 9377 柯柯 7542

YSL nickname search on Xiaohongshu (RED)

Consumers have given Yves Saint Laurent (YSL) a nickname that is easy to remember and to refer to.

Estée Lauder's signature product Advanced Night Repair serum earns the nickname "Little Brown Bottle."

小棕瓶 “Little Brown Bottle”

Posts Store Users

General Hot New Video Filter

全部 日上 第七代 用法 高能 雅诗兰

雅诗兰黛小棕瓶精华

预防肌肤老化
抗初老
缓解肌肤干燥
淡化细纹皱纹
重绽肌肤光彩

白天抗氧化
晚上修复

精华质地
淡淡的黄色
淡淡的中药味
微粘稠
延展性

保湿滋润
修复抗皱
改善暗沉
收缩毛孔
紧致肌肤

镇店之宝

雅诗兰黛小棕瓶精华 精致
妹子初抗老 我是属于沙漠...

「雅诗兰黛 ANR 小棕瓶」特
润修护精华深度测评 Este...

小爆炸 6049 李老师配方力 12.8k

Simplified nicknames helped:

- ✓ Customers not yet familiar with a foreign language's pronunciation
- ✓ To remember brands and products
- ✓ Foster a particular relationship with its audience

Estée Lauder product nickname search on Xiaohongshu (RED)

7 Criteria for a brand name in the Chinese market (3/5)

Does the name have **rich implications** and **varied associations**?
Does it have sustainability and preserve possibilities?

Breadth



Approaches to translations in China suggested by daxue consulting (4/5)

Phonetic Translation	Literal Translation	Descriptive/ Evocative Translation			
Chinese characters that are close to the original pronunciation and easy to pronounce.	Characters that most closely translate the meaning of the original name.	Chinese name which is more descriptive or evocative of the brand's identify.			
Original	Chinese	Original	Chinese	Original	Chinese
Gucci	古驰	Mango	芒果	Kenzo	高田贤三
Missoni	米索	Blue Girl	蓝色女孩	Lacoste	鳄鱼
Gianfranco Ferre	詹弗兰科费雷	Banana Republic	香蕉共和国	Baby phat	富贵猫
Paul&Shark	保鲨	Le coq sportif	法国公鸡	Basic House	百家好
Marlboro	万宝路	Oasis	绿洲	Etam	艾格
Chanel	香奈儿	Old Navy	老海军	Issey Miyake	三宅一生
MIU MIU	缪缪	Playboy	花花公子	Lancy From25	朗姿
BELLE	百丽	Saint Angelo	报喜鸡	MUJI	无印良品

Daxue consulting's brand naming process (5/5)

PREPARATION

1

Based on our research findings and Brand's objectives we will write a **CREATIVE BRIEF**.

INITIAL RESEARCH

Understand your brand during **the kick off meeting** through a series of pre-defined questions on the client's brand identity



BRAND POSITIONING

Getting comprehensive understanding of **Brand competitors and the target consumer group** based on offline and online resources



BRIEFING

Identify the **Brand's "Pivot point"** - the central theme that resonates throughout everything they do, and find the most accurate and inspiring way to convey that message



NAME DEVELOPMENT

2

Our creative experts will gather and sort a list of at least **15 names** for the brand.

KEYWORD GENERATION

Our experts will brainstorm and generate as many as keywords as possible that relate to **brand's products, history, purpose, vision, and values**



INITIAL NAMES LIST

Our creative experts will gather and sort a list of at least 50 possible names for Brand **cross-checking against the do's and don'ts**



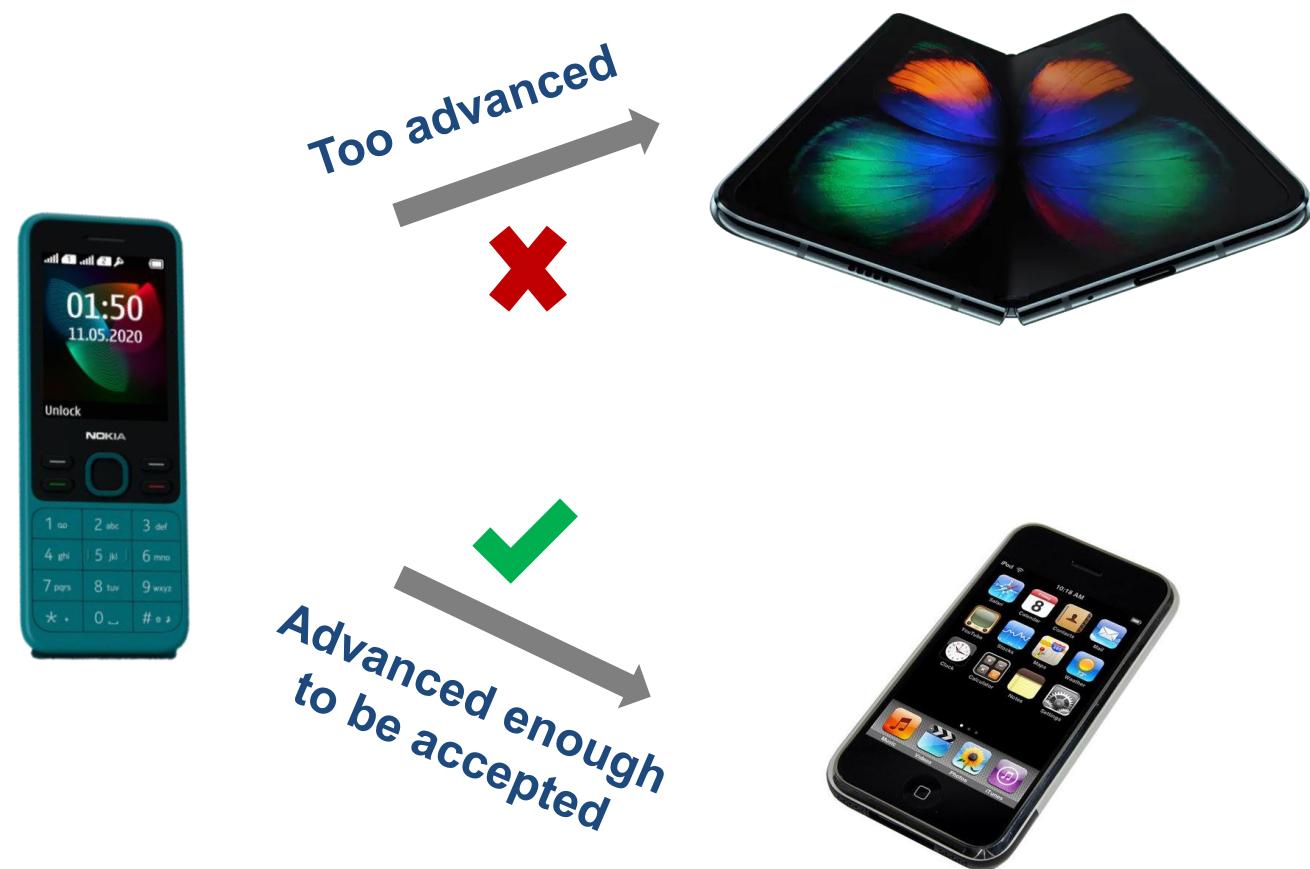
SANITY CHECKING

- **Dialect checks** (Cantonese, Shanghainese etc.) to avoid phrases that sound offensive or odd in other dialects
- In-depth **legal checks** including trademark and domain checks.

Make the most out of product design & packaging (1/3)

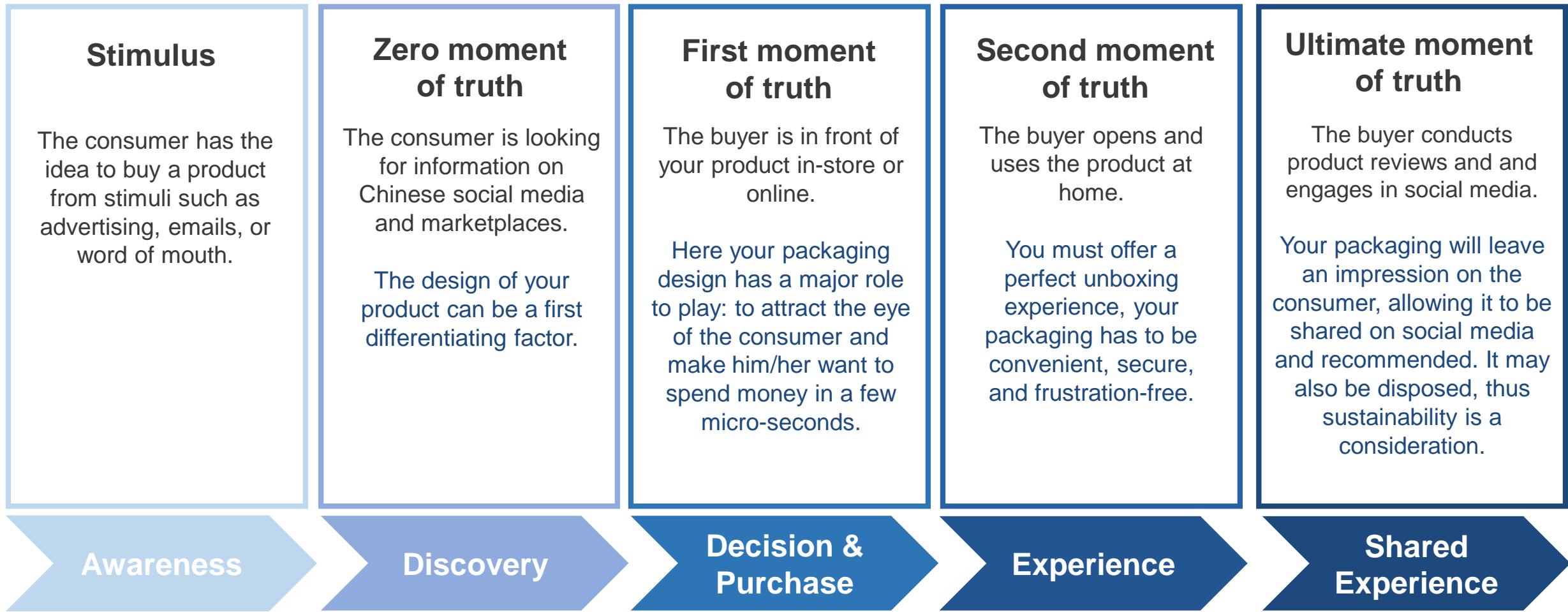
The secret formula to approaching design: MAYA – the Most Advanced Yet Acceptable Solution

The principles used in successful packaging — clarity, emotion, and a natural reading sequence — apply to every type of brand design. In the world of branding, thinking in fresh ways is important. It requires looking for **MAYA—the Most Advanced Yet Acceptable solution**, coined by Raymond Loewy, industrial designer of famous designs such as the Coca-Cola bottle and iPod. He sought to give his users the most advanced design, but not more advanced than what they were able to accept and embrace.



Optimizing the “moment of truth” with product and packaging design (2/3)

Packaging is so much more than just placing your product in a box — it's an opportunity to “wow” your customer!





*The creativity and potential of Chinese brands (raised by the ‘created in China’ movement) make **branding and packaging a priority in China**, in order to stand out and build a real connection with shoppers.*

Matthieu Rochette-Schneider, Greater China General Manager at centdegrés

Use design and packaging to make your brand stand out in China (3/3)

Product packaging in China is the most tangible representation of a brand for customers



In honor of the Year of the Rat in 2020, the Japanese beauty brand SK-II has **collaborated with Disney to roll out an exclusive product** for its award-winning product line.



The design of the hotpot brand Xiaolongkan giftbox **reflects the culture of its origin, Sichuan**, with the giant panda and chili peppers as notable décor elements. The giftboxes also **convey a sense of joy** with hotpot and the brand's image as trendy and diverse.

According to Steffi Noel, research project leader at daxue consulting, here are tips for adapting packaging in China

- ✓ Adopt Chinese codes. The Chinese codes that brands use have become more subtle and sophisticated over the years. It is not enough to leverage Chinese clichés (e.g. a dragon, the great wall, etc.). Chinese consumers expect foreign brands to have an in-depth understanding of Chinese culture.
- ✓ Choose the right material that matches the value of your brand and product
- ✓ Offer a “shareable” experience through offering Chinese festival-exclusive products



The gifting culture in China is strong and part of a traditional heritage [...] Together with other aesthetical codes, branding and packaging are keys to lift a ritual, a usage, a trend... to reinvent a product!

Matthieu Rochette-Schneider, Greater China General Manager at centdegrés

A good first impression offline starts with interior design (1/2)

Especially with the rise of new retail in China

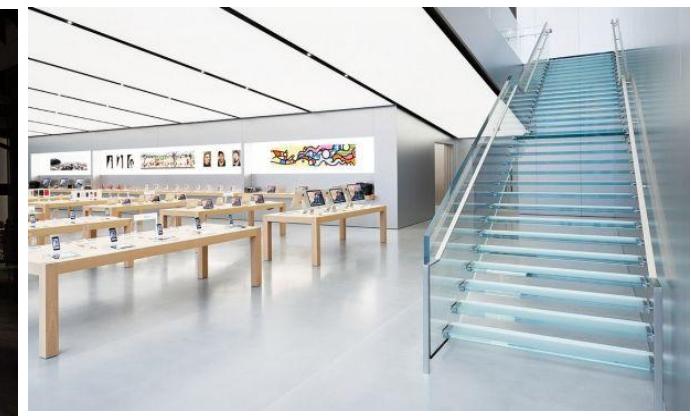
Branded interior design is a critical tool to:

- ✓ Enforce and strengthen your business
- ✓ Reinforcing your customer bond
- ✓ Improve the overall experience

Consumers are going out for an experience, which is why many stores are now turning into showcases and not merely a place to sell products. With O2O and the rise of platform businesses, differentiation and creating a brand image is more difficult. In order to **gain visibility and create a strong brand image** while enhancing customer experience, design of a store becomes more important.



Nike Shanghai Innovation House



Apple Store in Hangzhou

“

In the O2O era, interior design becomes even more important than it used to be. A well-designed boutique or office is a modern business card and a territory for communicating with clients and partners. The interior design is an ambassador that allows a brand to be more persuasive and helps to form the attitudes it wishes to express.

—Sofya Bakhta, marketing strategy analyst at daxue consulting



*A modern integrated retail is full of opportunity. To do so,
it needs to provide unique sharable experience.
This can be expressed through a **special service,**
limited edition, and/or special design.*

Louis Houdart, Founder & CEO at CREATIVE CAPITAL

An innovative in-store experience: Particle Fever (2/2)

Daxue consulting sees interior design as an opportunity to create a memorable impression unachievable elsewhere

Shanghai-based designer sportswear brand Particle Fever aims to stand out with avant-garde designs and innovative fabric. Its retail stores embody the concept of a “sports lab” (运动试验场), allowing **consumers to have an immersive experience** of the **brand's intersection of fashion, tech, and fitness**.



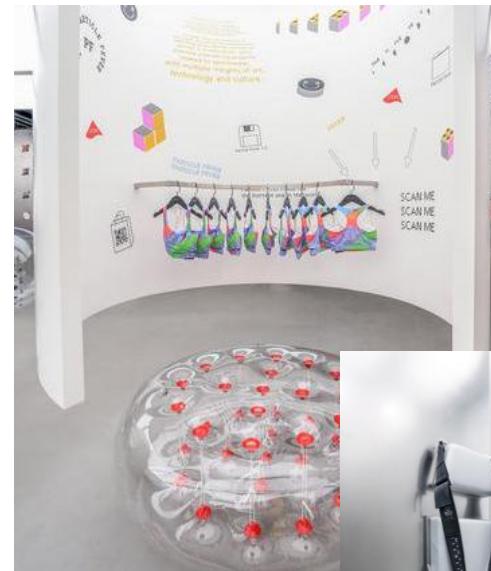
Store in Beijing

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Store in Shanghai



A distinct store design creates a memorable impression for its customers in consistent with its brand identity of avant-gardism and tech.



In-store engagements enhance consumer offline experience unmet online and fosters customer loyalty.



*A shop selling products is in competition with platforms such as Tmall who will have more styles and maybe better prices. However, **a modern integrated retail is full of opportunity**. To do so, it needs to provide unique sharable experience. This can be expressed through a special service, limited edition, and/or special design.*

Louis Houdart, Founder & CEO at CREATIVE CAPITAL

Branding Concepts



Concept 1: Customers' Sweet Spots (1/2)

Find shared interests between your brand and its target customers

(1) Branding driven by product offerings lacks customer engagement. So, brands need to (2) connect with important elements relevant to their customers (i.e. sweet spot) in order to (3) create a shared interest idea or program.

Customer's Sweet Spots



1 Offer-driven branding lacks customer engagement

Chinese customers are not motivated by dryness or convenience (Pampers' offering)



1

2

3

Connect with important elements relevant to customers

Chinese customers are motivated by uninterrupted sleep

Sweet spot

Customer's interest

Brand expertise & values

Create a shared interest idea or program

Pampers launch the “Golden Sleep” campaign



The goal is to “resonate, break out of the clutter, and provide a hub around which a set of coordinated brand-building programs can be developed.

— David Aaker, consultant and author of *Aaker on Branding*

The right question Pampers asked: What about diapers appeals to Chinese consumers? (2/2)

Pampers reaches Customer's Sweet Spot by shifting away from product-offer-driven branding



Goal	Implementation	Result
Frame Pampers as an aid to sleep	Scientific research (proof that it improves sleep)	200,000 posts of sleeping babies
Engage customers	Large marketing campaign Mum posts pics of their baby sleeping	YOY sales volume grew 54% > 100,000 new members to Pampers' Mums Club

Concept 2: Brand Promise

Brand promise reflects a brand's consistency in terms of values and experience

A **brand promise** is what the **brand must be and do for its customers**, and it is an extension of a company's positioning. Brand promise = values = experience.

Example in the Chinese market

The iconic 60-year-old Chinese candy brand White Rabbit Creamy Candy (大白兔) is a childhood favorite of many. The brand not only evokes a **nostalgic childhood feeling** for Chinese consumers, but it also holds a **health-conscious promise to consumers** by **maintaining a traditional recipe**. According to their official website, "White Rabbit selected the best raw material. Each pot of syrup is hand-made for 40 minutes by the workers."



An innovative pop-up store in Shanghai (June 2020) with games and offline retail, hoping to bring back childhood memories for consumers



Concept 3: Tribes (1/3)

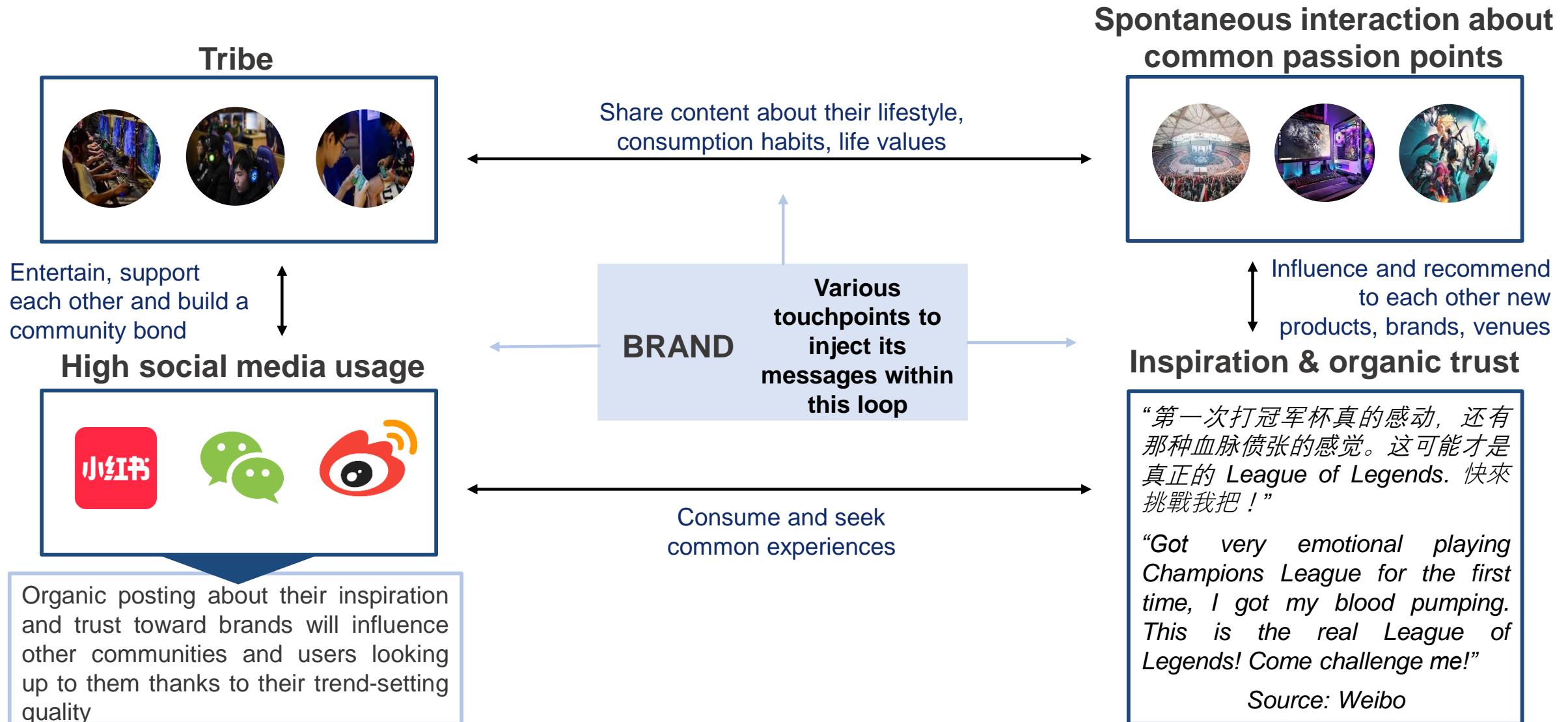
Tribes serve as an effective branding tool in the digital age

A tribe is a small group of consumers who have a **common passion**, who **share and interact with each other** on social media and can be targeted for marketing purposes



The interaction between brands and tribes (2/3)

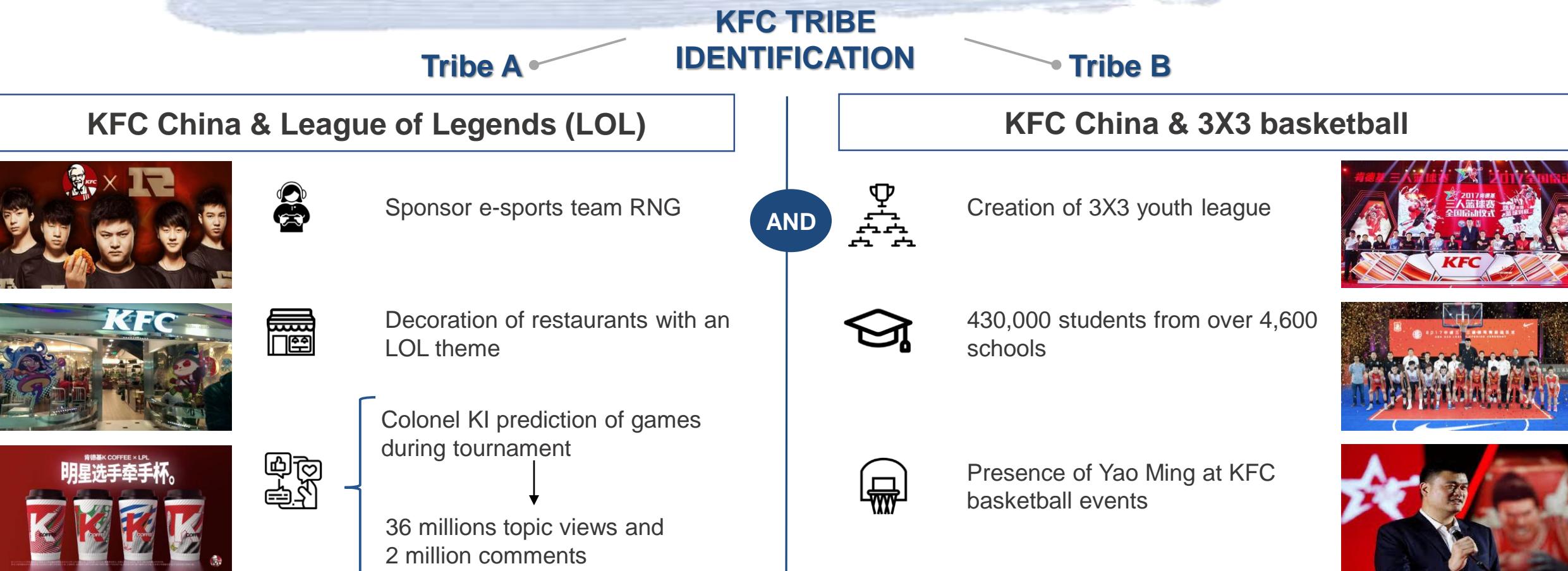
Brand makes use of a tribe's high social media engagement and common passion points to inject its messages



KFC China: Finding common ground between fried chicken and sports (3/3)

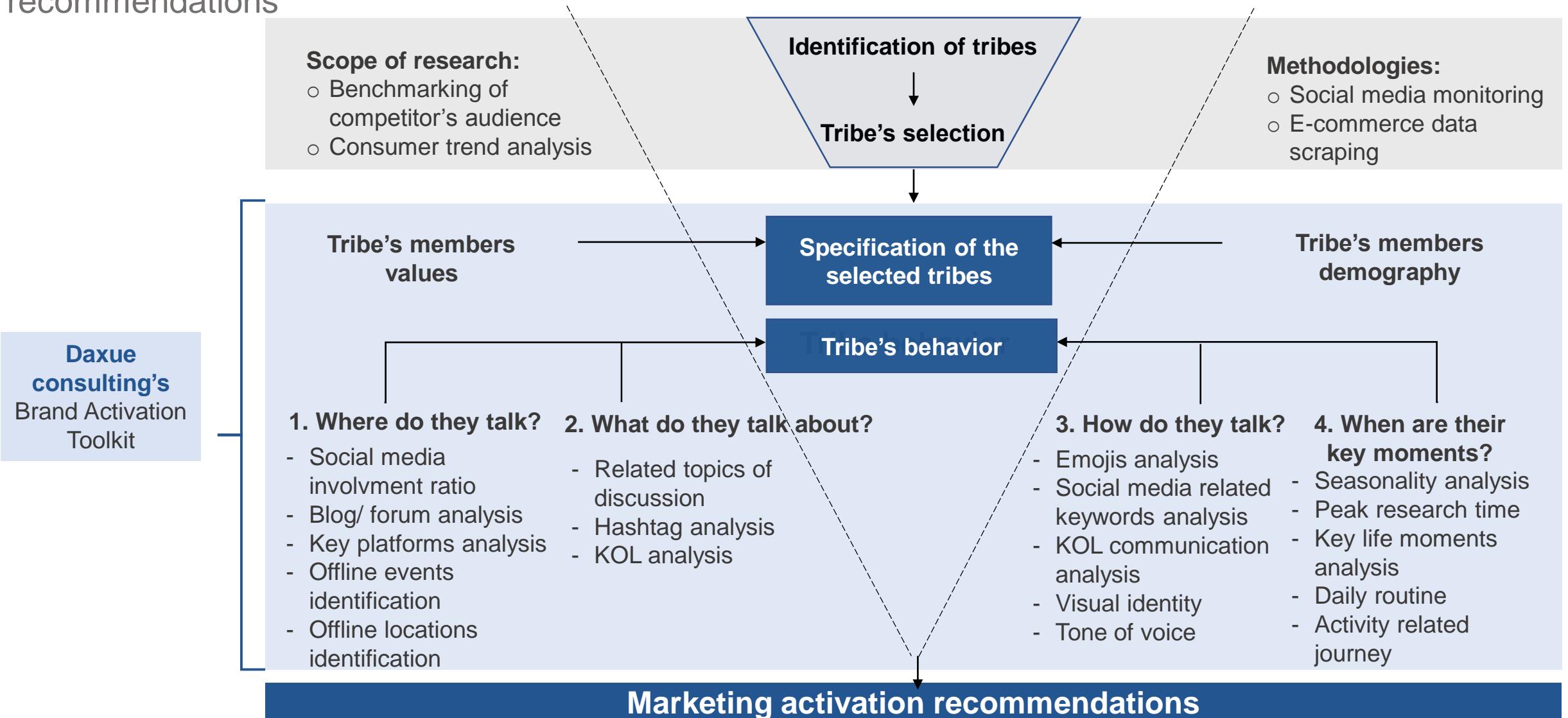
The brand targets e-sports and basketball tribes

KFC China **identified two tribes** to create discussions and events around its brand. The fast-food company thus aims at being at the center of attention of the conversation of the tribes.



Concept 4: Brand Activation Toolkit

Daxue consulting identifies tribes and monitors their behavior to formulate smart marketing activation recommendations



Concept 5: Brand as an Asset (1/2)

Higher levels of fame and uniqueness are the goals of brand assets

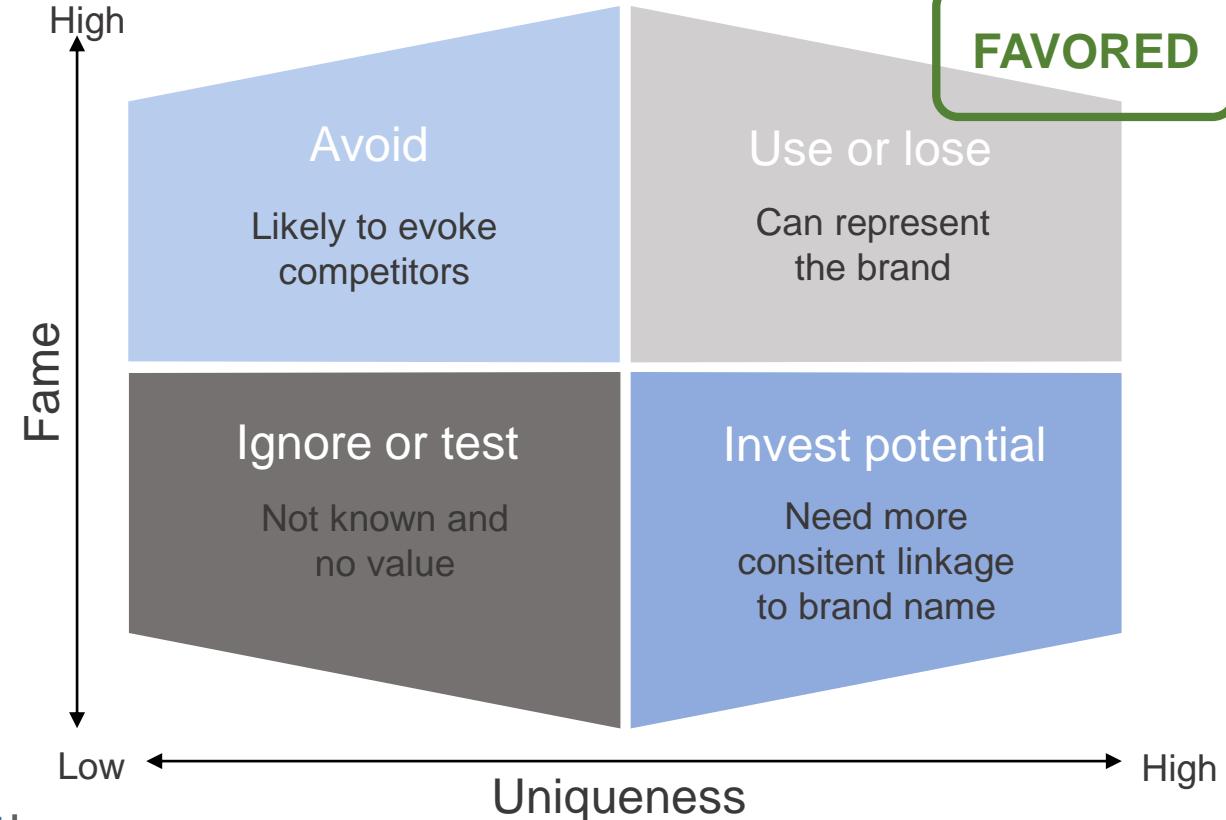
Brand assets are all elements (i.e. tangible & intangible) that **make your brand distinguishable** from others and that make it valuable.

Types of brand assets

- Logo
- Smell
- Mascot
- Slogan
- Shape
- Jingle
- Typography

TEST

Distinctive Brand Asset Grid



Examples: Types of brand assets (2/2)

Your brand assets belong to your brand and should never be associated with a competitor's

Logo



- Multiple petals
- Upward movement
- Distinctive components overtime

Huawei logo evolution



Smell



- New fragrance system unique to the brand
- Fresh and natural
- Homogeneous smell across all locations

Recognizable hotel scent

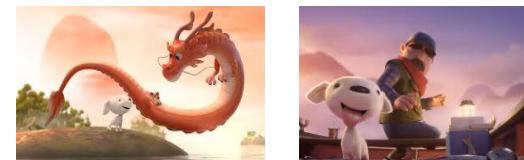


Mascot



- Stands for loyalty and integrity (JD's values)
- Fosters brand recognition
- Featured in animated movies

A film featuring mascot



Tagline

"You are worth it"



- Direct association with L'Oréal in China
- "It is also a language of love." *Fan Bingbing*
- Dedicated Weibo page

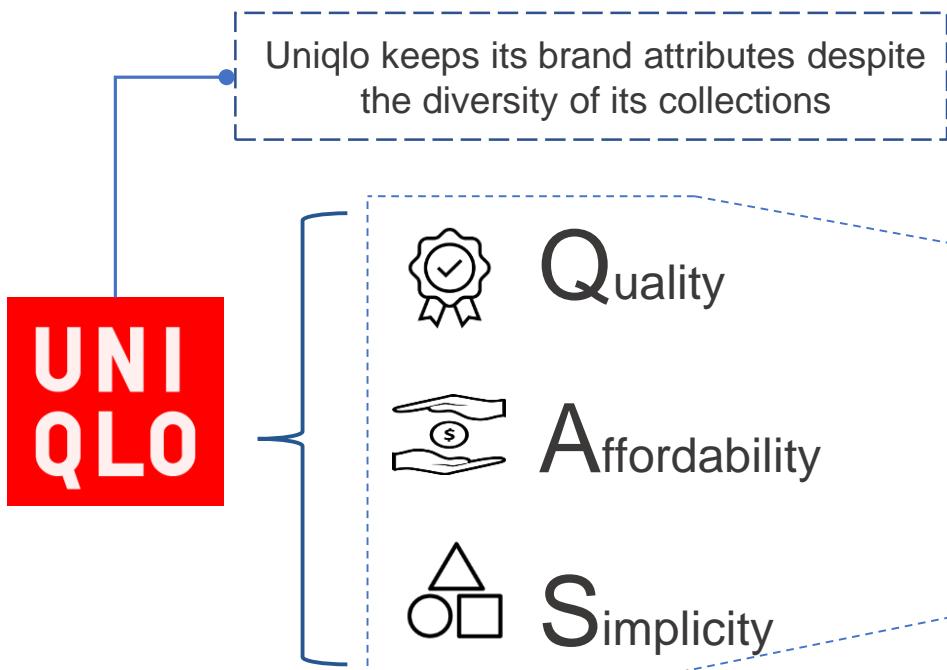
L'Oréal online advertisement



Concept 6: Brand Attributes

Even if brands have diverse offerings, what do customers believe their core attributes are?

Brands can afford to be **inconsistent and unpredictable** as long as they **don't abandon their defining attributes**

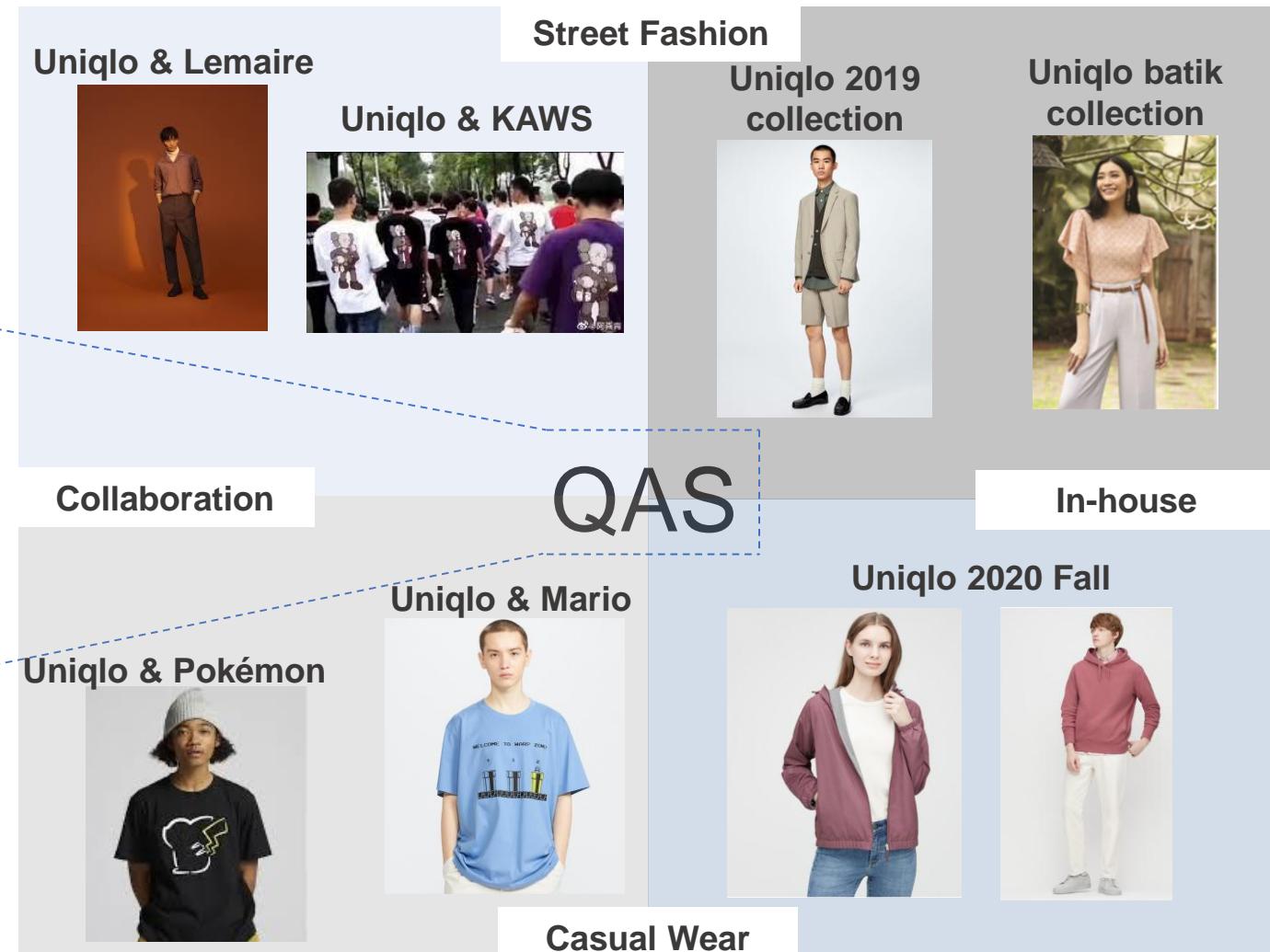


“

“Don’t worry, be crappy. Let the brand live, breathe, make mistakes, be human.

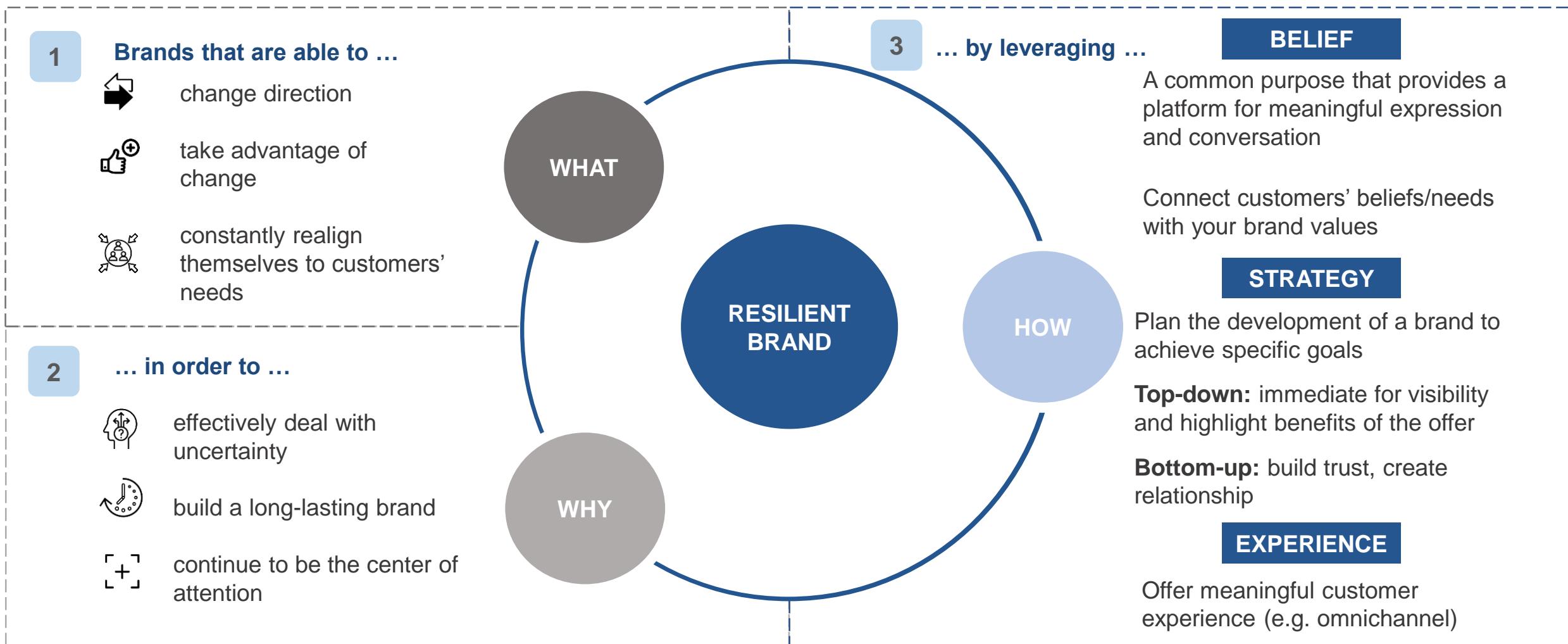
– Guy Kawasaki, marketing specialist, author, and Silicon Valley venture capitalist

Collections in China



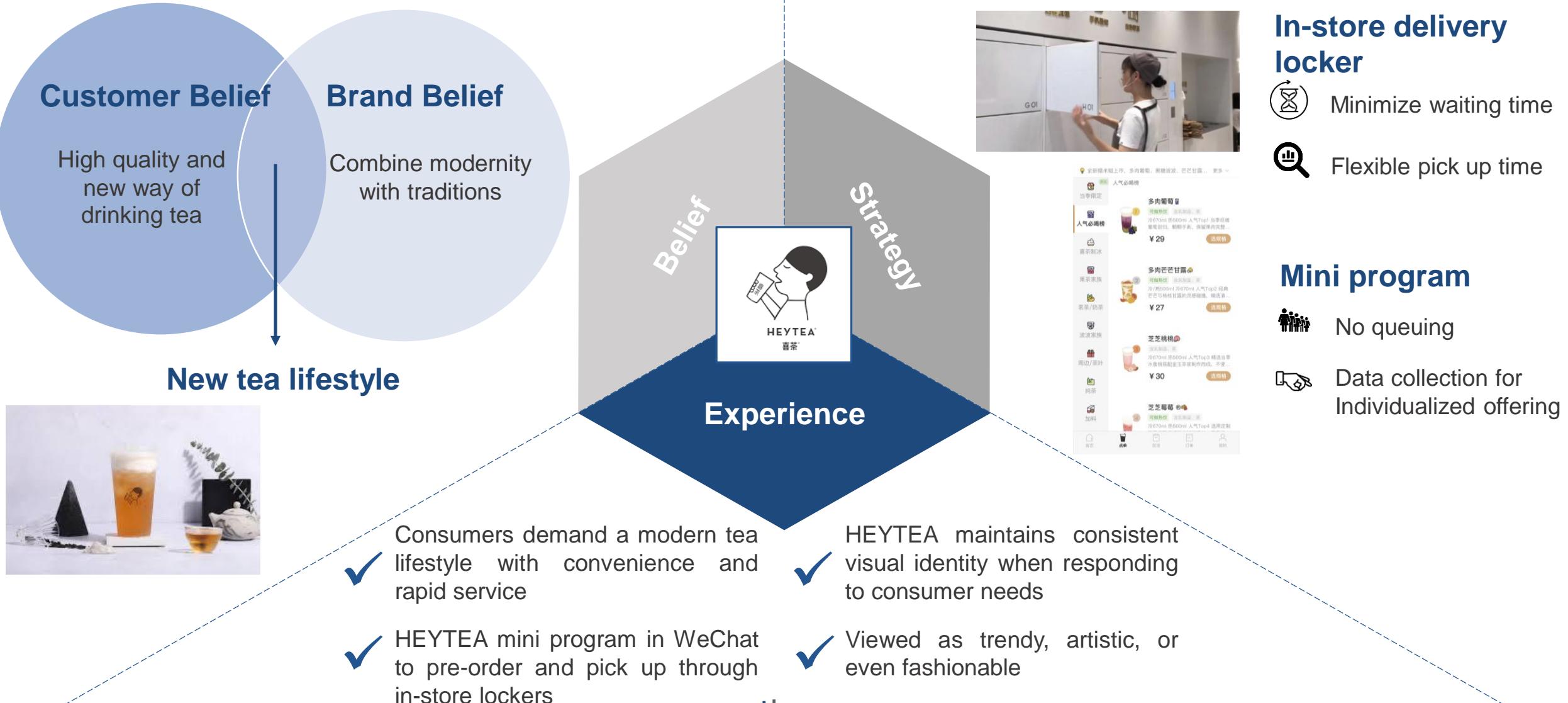
Concept 7: Brand Resilience (1/2)

Think on the fly and take advantage of the everchanging digital environment



HEYTEA: What is all the hype? How well do they adapt to change? (2/2)

HEYTEA rolls out mini program and delivery lockers in response to overwhelming consumer demand



Concepts 8: Brand Voice and Brand Tone (1/2)

Brand voice and tone reflects your brand's personality and how it is perceived by consumers

BRAND VOICE

This embodies and expresses your **brand personality and core values** through the words you use in communicating with your audience.

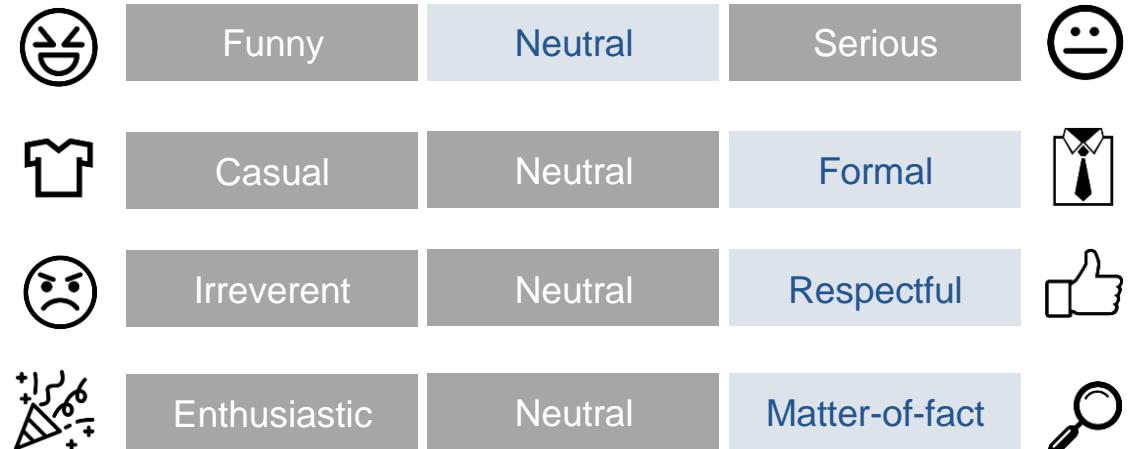
Fundamental principles:

- ✓ Be clear and concise
- ✓ Weigh every word/sentence: each of them must be well polished to convey an intended message
- ✓ Use words that corresponds to your brand

BRAND TONE

It is a **consistent way of conveying your brand's message**, or a definitive style of writing and speaking, to your audience.

Four dimensions of tone of voice



Selected in blue is an example of daxue consulting's choice for tone of voice

Source: TIDIO

Budweiser: A tasteful & effective brand voice in the Chinese market (2/2)

Clearly define your brand voice and tone to foster brand-customer relationship

Word choice reflects brand identity



Budweiser's word choice in marketing reflects its **brand identity** as being casual and friendly. Its slogans, normally having enthusiastic and fun undertones, also **align with their core values**: authenticity, ambition, and freedom.

Message conveys company's dream



When marketing its products on Tmall, the brand wishes to convey the message that their beer makes every gathering better, reflecting the company's dream: **Bringing people together for a better world.**

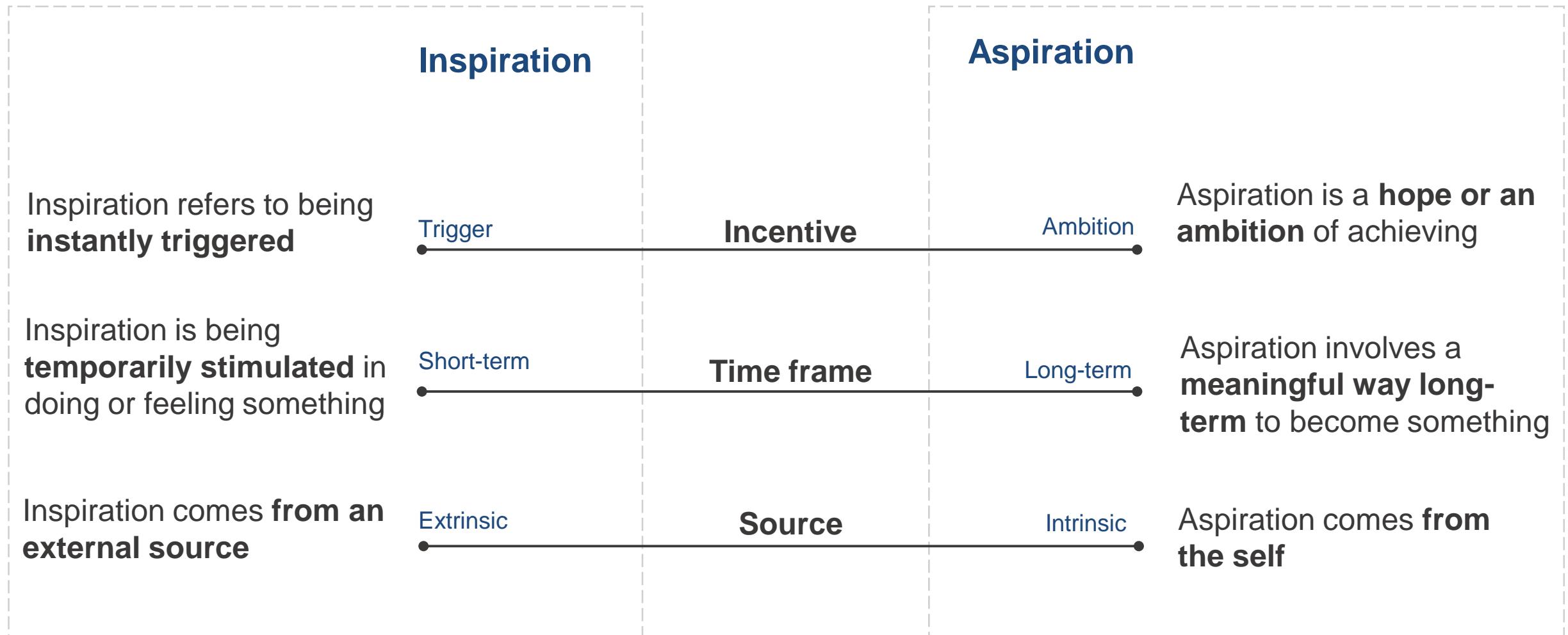
Celebrity endorser matches brand values



The famous singer Eason Chan has been Budweiser's brand endorser since 2016, and from then on, Chinese consumers have felt closer to the brand. The celebrity's **personality and the brand's value share commonalities**: being spontaneous and friendly.

Concept 9: Inspiration and Aspiration (1/2)

Inspiration paves way for an aspiration

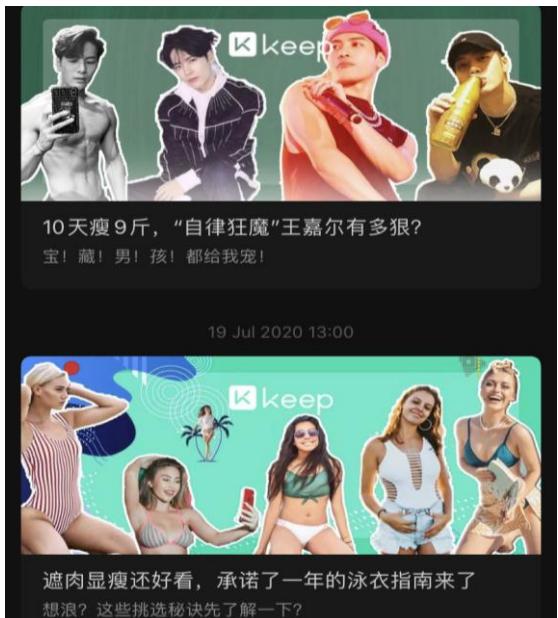


Inspiration and Aspiration in Action (2/2)

Fitness app 'Keep' evokes inspiration and aspiration at different points of a customer's journey

Inspiration

Inspired by KOLs' and celebrities' fitness journey from brand marketing



Celebrity's slim-down journey & inspiring articles on Keep's Official WeChat Account

Consumer journey of experiencing inspiration and aspiration

Choose appropriate workout program and customize



Member-exclusive fitness programs in Keep app

Progress tracking and sharing



User shares progress in WeChat moments

Aspiration

Share goal accomplishment on social media

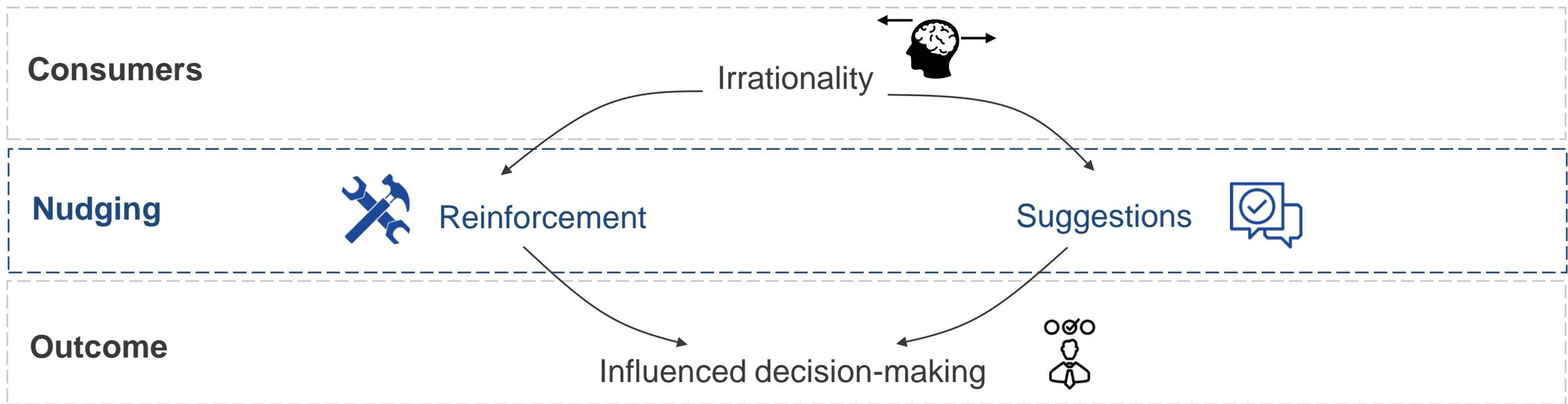


User shares goal achievement and journey on in-app social community

Concept 10: Nudging (1/3)

Subtle changes can subconsciously influence a consumer's purchasing decisions

Nudge marketing is making small yet powerful tweaks to push consumers towards purchasing your brand. It allows businesses to influence their customers' decisions indirectly, through environmental stimulus, suggestion and reinforcement.



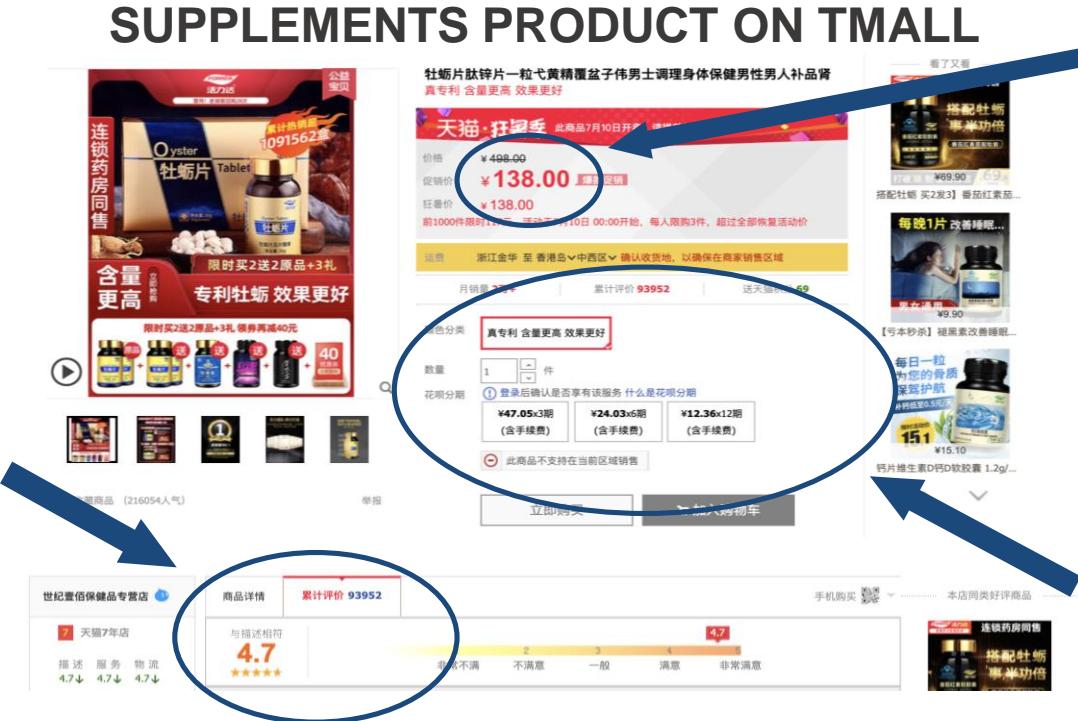
Individuals retain the power to choose among alternatives, but the structure of their choice favors one particular outcome. **Nudging affects behaviour** while also **respecting freedom of choice** of the consumer.

E-Commerce is a good opportunity for nudging (2/3)

Drive online (Tmall) purchase behavior with nudge marketing in China

Social proof boosts reviews

High amount of reviews are effective in driving purchase behavior as they give more context and personal experience to products. Reviews are technique of social proof, which means that when uncertain, individuals will look towards the behaviors of others to help them make decisions.



Price anchoring makes discount seem larger

Anchoring, a psychological pricing technique, is using existing information as a baseline for new judgements. The higher price "anchors" the individual to make the discounted price seem smaller.

Autonomy in decision-making

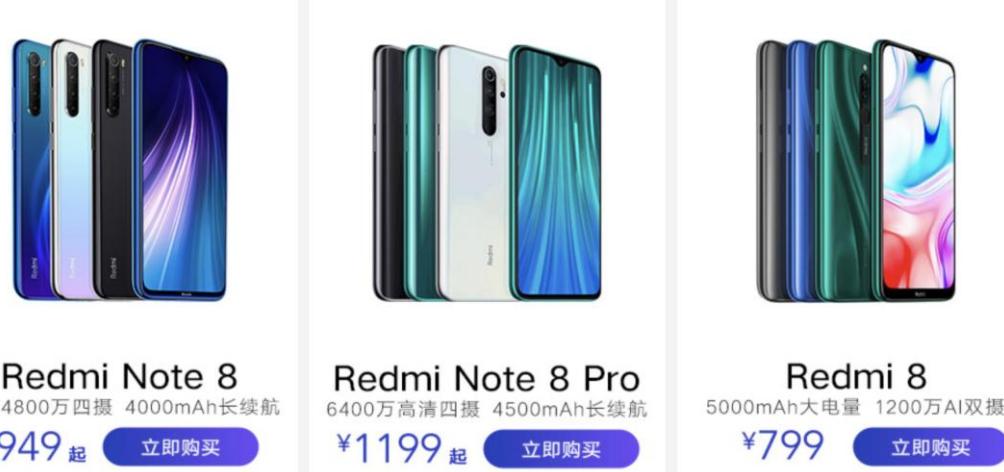
Being able to choose from various options, such as to check out, add to the bag, or paying in installments, it gives consumers the freedom of remaining autonomous in their decision.

E-Commerce is a good opportunity for nudging (3/3)

Drive online (Tmall) purchase behavior with nudge marketing in China

Pushing the sales of a particular product (Xiaomi)

Placing the **most attractive product next to similar products** that aren't perceived to be as good of a deal **makes that option look even better**. In this case, the most attractive option would be the middle with its attractive specs, which justifies its higher price.



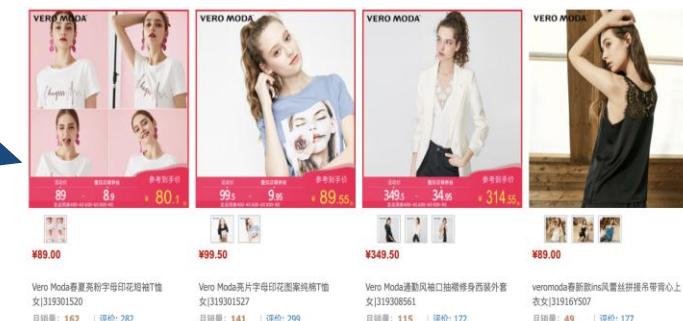
Labels to capture attention (Vero Moda)

Labelling as implicit nudges **boosts credibility** of the product to make it **easier for consumers** to find what they want.

Special product line



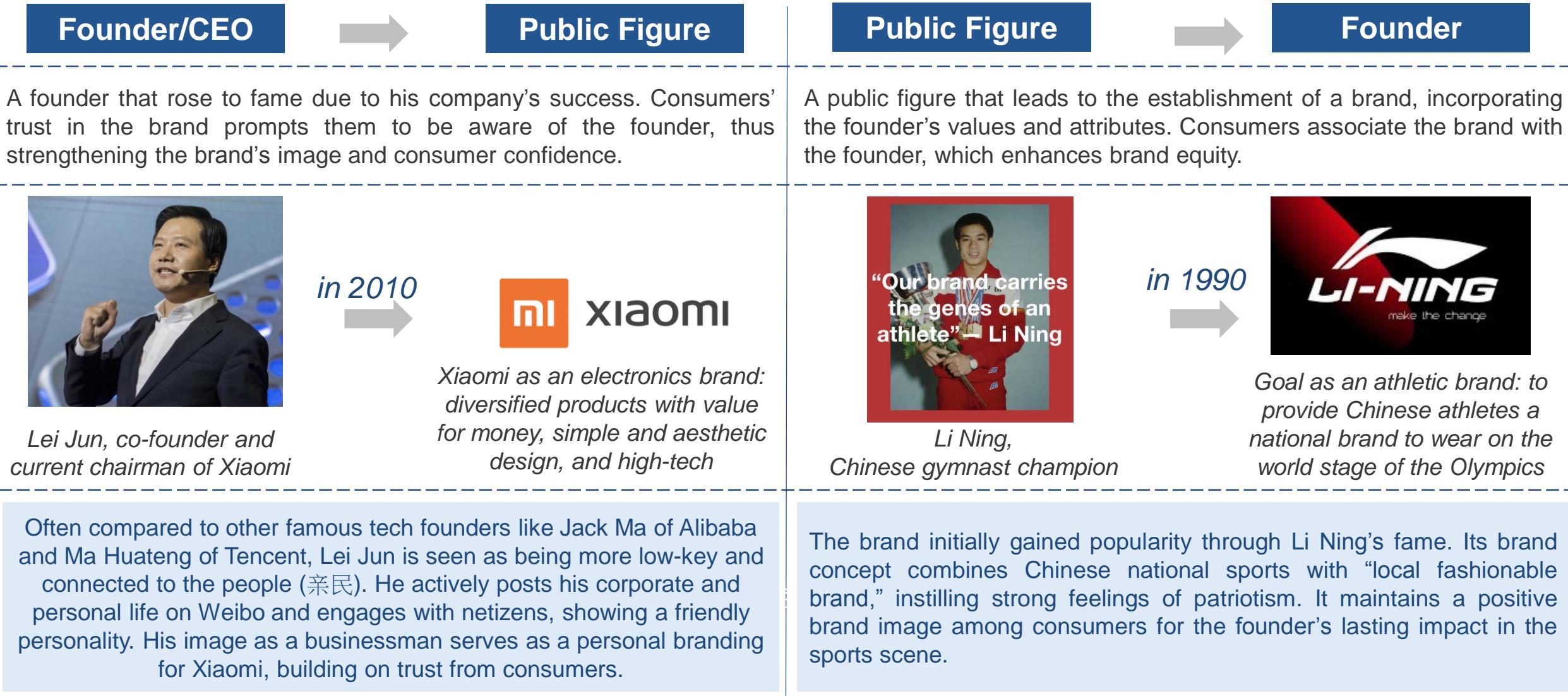
Attractive-looking discounts



Collaboration with Disney

Concept 11: Personal Brands

Customers trust a human being more than a logo

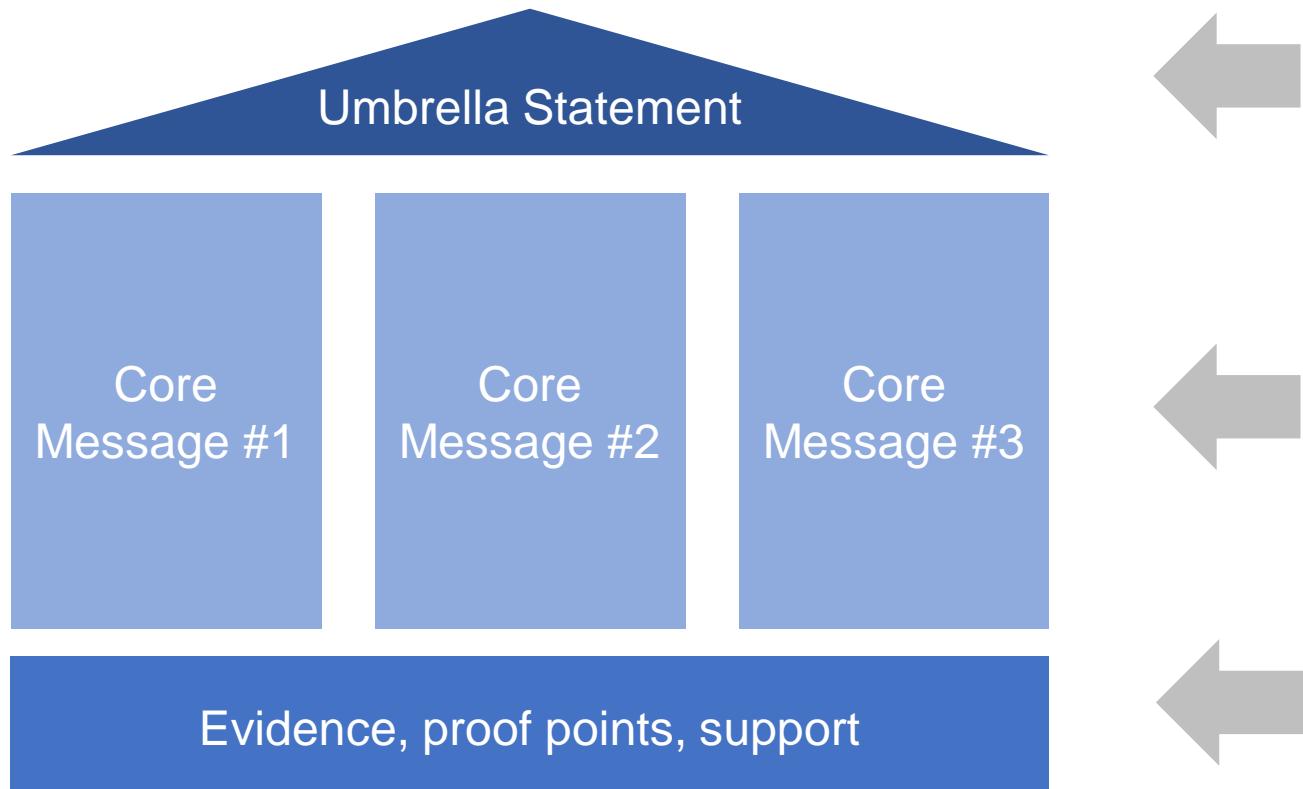


Concept 12: Message House (1/2)

A framework for communicating about your product or service

What is a message house? A format used to help **develop marketing messaging positioning**.

Why use a message house? Makes it easier for all marketing functions to **stay on track when developing marketing materials**, as it provides the basic construct for all messaging about a product or service. This format allows marketers to **more easily create messages that target different customers** as to focus on what is important to that customer.



1) Frame the roof: Key message

Answer questions such as: Who is the target audience? What are their needs and concerns? What does our product/service do better/differently than any other products/services? What is the call to action (CTA) that we want customers to take?

2) Build the walls: Core message

Usually 3-4 messages. Answer questions such as: What information does the target audience need to help them move along the purchase path? What technology do we use? What is the immediate benefit and value of our product or service?

3) Lay the foundation: Proof points

Provide the facts, evidence, proof points or arguments that support the messages ("walls"). Answer questions such as: What customer references do we have? What do our case studies and white papers prove? How does our product or service compare to the competition?

Example of Message House: daxue consulting (2/2)



What to remember about branding concepts in China

Summary of the basics

- ✓ Brand identity is having a **strong visual identity** that makes a brand recognizable even without the name or logo being visible, while brand equity is everything that contributes to a **customer's perception of the brand**.
- ✓ China's already-prominent digital landscape makes consumers expect a seamless experience when engaging with a brand, which explains why the majority of **discovery touchpoints are made online**.
- ✓ Brands have to be **versatile when entering the Chinese market** and take into consideration the many seemingly simple components, such as **naming, cultural context, packaging design, and interior design**.

Branding in China requires understanding and connecting with consumers

- ✓ While staying true to goals and visions, brands can **make use of customer's sweet spots, activating tribes, and brand voice and tone** to adapt to a targeted audience in China.
- ✓ A brand can be deemed as successful when it sticks to its **brand attributes and message house** and possesses valuable **brand-as-assets** that defines the core of the brand.
- ✓ To evoke certain feelings in consumers for a deeper connection, brands can utilize their **brand promise** as well as concepts of **inspiration/aspiration** to enhance brand equity.
- ✓ Forming **personal brands and brand resilience** contributes to customers' trust in a brand.

On successful case studies...

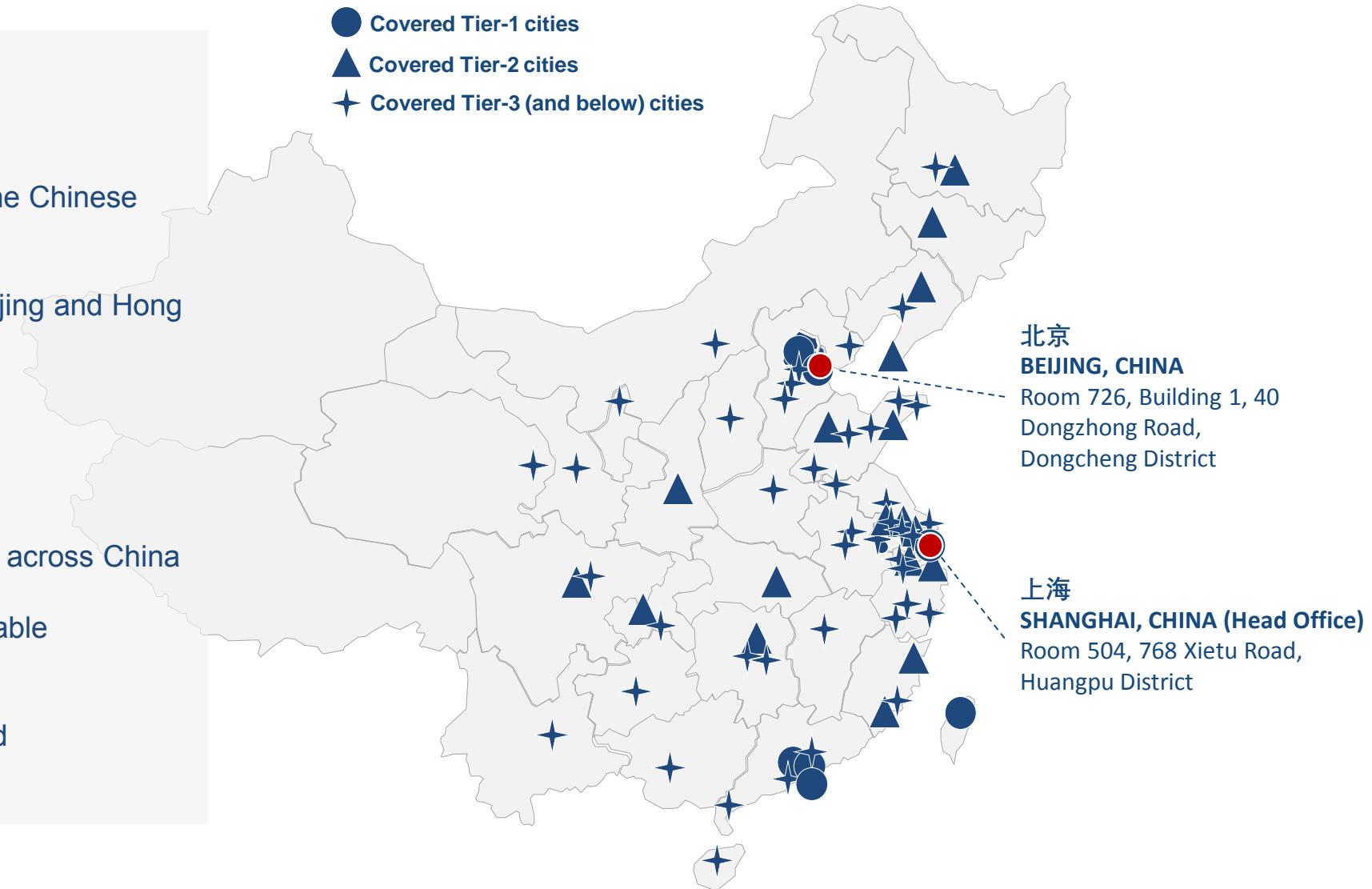
The successful foreign brands we mention all have one thing in common: **localization** to and **understanding** of the Chinese market. Branding in China requires an accurate **expression of brand identity** while being **culturally and socially conscious**. The local Chinese brands mentioned focus on **consistency, appealing to consumer feelings, and staying flexible**.

Who we are

Your market research company in China

We are daxue consulting:

- A market research firm specializing on the Chinese market since 2010
- With 3 offices in China: in Shanghai, Beijing and Hong Kong
- Employing 40+ full-time consultants
- Full, complete, national coverage
- Efficient and reliable fieldwork execution across China
- Using our expertise to draw precise, reliable recommendations
- With key accounts from around the world



The strengths of daxue consulting

6 crucial competitive advantages



1. Localized & Creative 创造和本土

- ✓ Our team has an international background, leveraging the best of both worlds
- ✓ **Teams are tailor-made** depending on the projects
- ✓ **One client = one dedicated team**

3. We manage from A to Z 内部

- ✓ daxue consulting **does not outsource its services**. We manage our own assistants and use directly technological tools.
- ✓ We have a **deep understanding on the fieldwork** and the context within which data was collected.

5. Innovative 创新

- ✓ **Constantly on the look** for new research tools and methodologies
- ✓ Our goal is to **combine traditional methodologies** with the latest **tech tools**

2. Responsive & Flexible 负责和灵活

- ✓ At all levels at daxue consulting, daxue is creating an environment where **freedom and responsibility** go together.
- ✓ **daxue** consulting has a commitment to **answer emails within a day**. We are result-oriented and do not count our time to accomplish our tasks.
- ✓ **Regular reports** with our clients in order to make sure we reach the goal expected from our clients.

4. Actionable recommendations 可行建议

- ✓ We **care about results** and design our research in order to be operational.
- ✓ We are **driven by metrics** such as customer acquisition costs, business plan KPIs, P&L optimization.

6. Professional 专业

- ✓ **Our methodologies are rigorous and serious**, taking information from the best practice in the world of consulting and research.
- ✓ **Demanding on the results, detail-oriented, respectful towards our commitments**.

Our services

Experienced in answering to a wide variety of strategic business questions



MARKET GAP
IDENTIFICATION
市场缺口



MARKET RESEARCH
市场调研



REGULATORY
FRAMEWORK
管理框架



BUSINESS PLAN
商业计划



MARKET POTENTIAL
ASSESSMENT
市场潜力评估



GO-TO-MARKET
STRATEGY
市场进入



MARKET ENTRY
市场准入



CUSTOMER JOURNEY
消费者旅程



COMPETITOR
BENCHMARKING
竞争者对标



MARKET SIZING
市场规模



VALUE PROPOSITION
& USP DEFINITION
价值主张和销售主张



PARTNERSHIP
SCREENING
合作伙伴筛选



PRODUCT TESTING
AND LOCALIZATION
产品测试和本地化



DIGITAL STRATEGY
数字战略



OMNI-CHANNEL
STRATEGY
全渠道策略

350+ clients with 600+ projects for the past 7 years

Examples of references



A recognized expertise on the Chinese market

Regularly featured and quoted in global publications

Daxue latest quotations in recent publications

The New York Times

TECHINASIA

france
bleu

LE TEMPS

SBS NEWS

ASIA WEEKLY

FT FINANCIAL
TIMES

英文中国时报
The China Post

REUTERS

GLOBAL
TIMES

SBS NEWS

the guardian

LesEchos.fr

TechNode

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Guanghua School of Management
Peking University

Voci Globali

gbtimes
Global reach, Local touch

THE JORDAN TIMES

Contrepoints
le nivelllement par le haut

ISRAEL HAYOM
This is where we stand

BQF
The Business of Finance

CHANNEL NEWSASIA

Los Angeles Times

The Street

algemeiner | a

StartupBRICS
L'Actu Tech & Startup des Emergents

daxueconsulting
beijing(shanghai)

Le Monde

CHINA
ECONOMIC REVIEW

TECHINASIA

SWI

THE WALL STREET JOURNAL.

FRENCHWEB.FR
la magazine de l'innovation

CONDÉ NAST

THE WALL STREET JOURNAL.

Forbes

L'OBS

jns
org | news service

ESSEC
BUSINESS SCHOOL

TECH.CO

france
bleu

The New York Times

South China
Morning Post

World
Trademark
Review

TECH
INSIDER

FINANCIAL REVIEW

IT NEWS AFRICA
AFRICA'S TECHNOLOGY NEWS LEADER

ASIA WEEKLY

CCI FRANCE CHINE
中國法國工商會

EASTWEST BANK

EL PAÍS

華美銀行
EASTWEST BANK

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