



Students' Corner

Place brand architecture: Strategic management of the brand portfolio

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Abstract Brand architecture is a concept born in commercial branding. It is used to design and manage a portfolio of brands, providing each brand with purpose, relevance and clarity. Some authors have hinted at the possible use of this concept in place brand management. Other authors have used theoretical place brand examples to show how this concept might be applied. This study goes further by providing a case study of South Africa's brand architecture and discussing the principles used to develop it. The findings illustrate challenges and success factors in designing, managing and interpreting the brand architecture of places.

Keywords: *Place branding, brand portfolio, brand architecture*

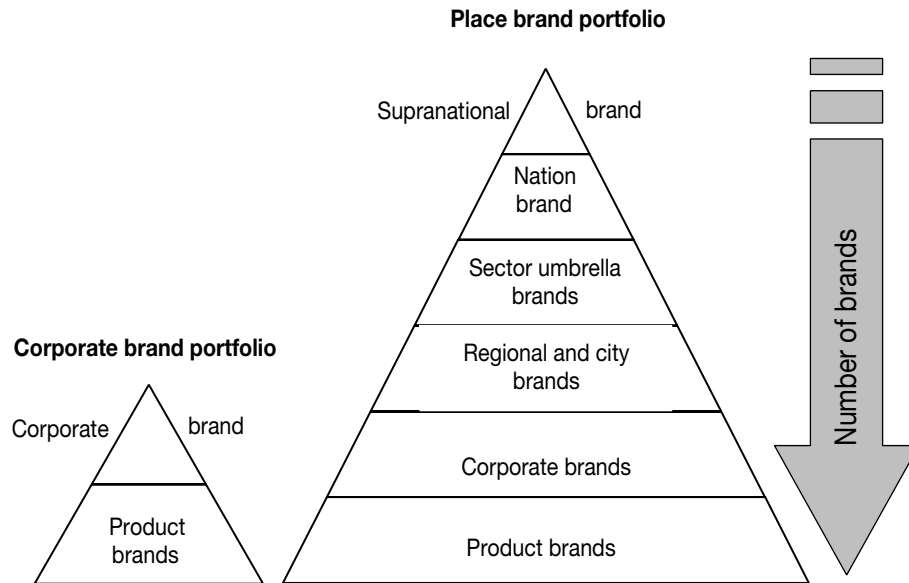
INTRODUCTION

Brand architecture — what relevance does it have in place branding? Research on place branding is still in its infancy. As such, one is encouraged to search within other disciplines for theories that may be adapted to place branding. Brand architecture, a theory belonging to conventional branding, describes a process of managing and designing a portfolio of brands so that each sub-part benefits the whole (Kapferer, 2001). The aim of this research is to explore the relevance of brand architecture in the context of place branding. This was achieved in part through an extensive

review of the literature in the fields of product branding, service branding, country-of-origin branding, tourism destination image studies, consumer behaviour and cognitive psychology. The main part of the literature is structured around four types of brand architecture strategy — the house of brands, endorsed brand, sub-brand and branded house strategies — as proposed by Aaker and Joachimsthaler (2000b). Each strategy is examined using relevant place brand examples. This provides a background for the second part of this paper, which looks at a case study of South Africa — one of the few countries to develop a

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Note: This simplified version of the 'corporate brand portfolio' (CBP, left) is in part a contribution to the much larger 'place brand portfolio' (PBP, right). The PBP is a collection of *all* brands found within a particular place. Notably the number of brands increases from the apex to the base. In a PBP there are more corporate and product brands than the sector umbrella brands that embody them. Likewise there may be several nation brands which corresponded to a single supranational brand.

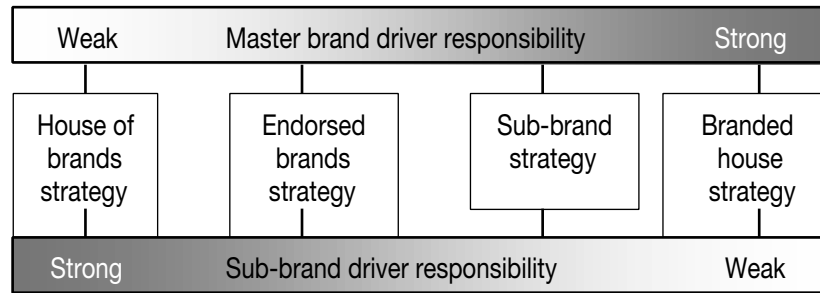
Figure 1: The nation umbrella brand

'nation umbrella brand'. Like a corporate umbrella brand, its purpose is to link together individual sub-brands. In this case, however, 'sub-brands' refer to regions, cities and their industry sectors such as tourism, exports and foreign direct investment (Figure 1). Fourteen South African stakeholder brands were chosen for this study, including the nation umbrella brand itself. The results of this study highlight some of the challenges and success factors in developing brand architecture for place brands.

LITERATURE REVIEW

Brand architecture's origins can be traced back to discussions on structures of the brand portfolio. This was a revolutionary insight, since prior to this brands were considered to be stand-alone entities. A pioneer study by Olins (1989) depicted

three basic portfolio structures — monolithic, endorsed and branded. In a monolithic structure sub-brands are merely an extension of the corporate umbrella brand. In a branded structure the opposite is true: sub-brands are very much separated from the corporate brand and each brand has its own name and visual identity. The endorsed structure lies between the monolithic and the branded structures. In this case each brand possesses a unique identity but is also affiliated to a certain degree with the corporate identity. Laforet and Saunders (1994) built on Olins's model, proposing more intricate brand structures and types. But their study, like many others, did little to explain the underlying dynamics of brand architecture. Douglas and Craig (1996) were perhaps the first to contribute flexibility and 'motion' to the brand architecture concept. These authors examined the interconnectedness



Note: This visual interpretation of Aaker and Joachimsthaler's (2000b) 'brand relationship spectrum' indicates four different types of brand strategy that can be employed to manage a portfolio of brands. Notice the inverse relationship between driver responsibility of the master brand and that of the sub-brands.

Figure 2: The brand relationship spectrum

of geographic markets and suggested the brand portfolio could be expanded, retracted or consolidated to meet the desired objectives of a company.

A noteworthy contribution towards the current understanding of brand architecture was made by Aaker and Joachimsthaler (2000b). These authors proposed a brand architecture tool, namely the brand relationship spectrum (Figure 2). This spectrum consists of four strategies: house of brands, endorsed brands, sub-brands and branded house. In choosing the most suitable strategy one would need to look at the specific driver role that each brand plays in influencing the purchase intentions of consumers. When each sub-brand has a strong driver role what results is usually a house of brands architecture — a set of stand-alone brands. But as the sub-brands become less influential, or develop more descriptive driver roles, the tendency is towards a branded house.

While the brand relationship spectrum serves as a framework for this particular study, a number of limitations should be noted. Aaker and Joachimsthaler's (2000b) paper looks primarily at brand relationships within the firm. Co-brand relationships, for example, which usually occur between two brands from different companies, are not included in the brand

relationship spectrum (Blackett and Boad, 1999; Washburn *et al.*, 2000; Hahn and Khan, 2001; Leuthesser, 2003; Motion *et al.*, 2003). Moreover, these authors merely mention that companies can, and often do, use more than one of the four suggested strategies. A final criticism of this paper is that it seems to suggest that brand architecture is predominantly influenced by a company's intended strategy. Douglas and Craig (2001) prefer to describe brand architecture as an evolutionary process which is affected by both past and present factors as well as intended strategy.

House of brands strategy

The house of brands strategy includes a portfolio of sub-brands that act independently of each other and the umbrella brand (Kapferer, 2001). In this scenario the driver responsibility is devolved, allowing each sub-brand to differentiate itself in a way that attracts a particular niche market. Unilever, Procter & Gamble and the Volkswagen Group are typical examples of companies that have built and managed their brand portfolios using house of brands principles.

House of Brands architecture can be applied in a place brand context. Spain,



Figure 3: House of brands strategy — Spain

as a tourism destination, is one example (Figure 3). The country is geopolitically divided into 17 autonomous regions. Each region has its own tourism destination brand strategy and is permitted to promote its own brand, domestically and internationally, independently of TourSpain, the national tourism board (Gilmore, 2002). Catalunya (Catalonia) and Euskadi (Basque Country), two culturally and linguistically differentiated Spanish regions, have taken a somewhat different approach to the challenge of devolved marketing (Sabau, 2002). Euskadi has divided its sub-brands geographically into three provinces. The provinces in turn market themselves to domestic audiences separately from Euskadi and TourSpain (Sabau, 2002). Catalunya by comparison has four provinces, but it differs from Euskadi in that it has eight geographic sub-brands which cut across provincial boundaries. Catalunya promotes itself domestically and internationally with strong interrelationships between its sub-brands (Sabau, 2002).

Spain's brand architecture reflects the country's history. Of particular importance was the Franco regime (1939–1975). Regional autonomy was reversed under Franco, and Spain became a highly centralised state. The regime abolished regional governmental bodies, enacted measures against the use of the

Basque and Catalan languages and, by implication, downplayed the unique cultural aspects of each region (Encarnacion, 2002). The constructs for supporting a house of brands architecture were effectively dismantled under Franco. It was not until the mid-1980s, after Franco's death, that central government began to devolve powers to the regional governments. This created a template for the regions to differentiate themselves. Over time Spain was able to transcend the traditional 'sun, sea and sand' offer to include other interesting facets such as art, sport, history, culture and gastronomy (Lodge, 2002).

While there appears to be, of late, a greater degree of coordination between Spain's national tourism board and its regions, there may still be room for cohesion on a regional sub-brand level. Allowing numerous sub-brands to promote themselves individually within a confined geographical space renders each brand vulnerable to marketing overlap, brand dilution and wasted expenditure (Kotler and Gertner, 2002; Schultz, 2002).

Endorsement brand strategy

The endorsement brand strategy differs from the house of brands strategy in that the umbrella brand and its sub-brands are perceptually linked — but only enough

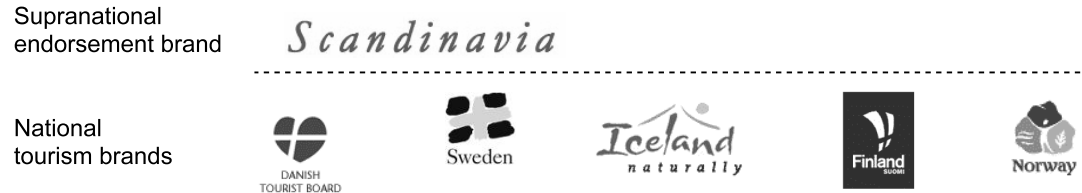


Figure 4: Endorsement brand strategy – Scandinavia

to transfer more general values such as credibility, reputation and quality (Devlin, 2003; Rajagopal and Sanchez, 2004). The link is not overt to the extent that the core values — the values that distinguish each brand — are at risk of being diluted. Corporate examples include Novotel by Accor, Kit-Kat by Nestlé and Obsession by Calvin Klein (Aaker, 2004).

An endorsement brand strategy can also be applied to tourism destinations. This is particularly true for supranational units — eg Britain, Scandinavia and Europe — because they are generally perceived as ‘umbrellas’ for the individual countries within them. A paper by Flagstad and Hope (2001), one of the few papers that has discussed brand architecture in a place brand context, examines the theoretical use of a Scandinavian endorsement brand for ski tourism (Figure 4). It suggests that the ‘Scandinavia’ brand would enhance customer awareness, increase quality perceptions and raise efficiency in marketing programmes through economies of scale. Destination image research has also suggested that Sweden, Norway, Denmark, Finland and Iceland are perceived by many potential tourists and tour operators as a single entity — a gestalt image — highlighting the opportunities for marketing Scandinavia as a whole (Echtner and Ritchie, 1991; Jensen and Korneliussen, 2001).

It is, however, possible for a gestalt image to have a negative impact on the marketing of individual countries. If the

gestalt image under consideration is Africa, then a prospective Asian/European/American visitor to South Africa may be dissuaded from visiting the country because of what they hear about the civil/political unrest in the Democratic Republic of Congo (Lawson, 2001). Distance from the destination, lack of distinguishing features, lack of brands and the perceived similarity in the political and economic status of countries are some suggestions of what may lead to gestalt perceptions in the eyes of the tourist (Font, 1996; Hankinson, 2004). Even so, perceptions change over time. The Czech Republic and Slovakia, for example, have been entrenched in an image of the former ‘Eastern bloc’ for many years. Yet the introduction of these countries into the European Union has allowed them to be perceived more positively in the mind of the consumer (Hall, 1999; Martinovic, 2001).

Sub-brand strategy

In contrast to the endorsement brand strategy, the sub-brand strategy involves far greater affiliation between the master brand and its sub-brands (van Gelder, 2003). This allows brands to form stronger links and shared associations. In the sub-brand strategy both the umbrella brand and the sub-brands are strong drivers — both influence consumer purchase intentions. Examples include Microsoft and Microsoft Office, Gillette and Gillette Mach 3 and Sony and Sony

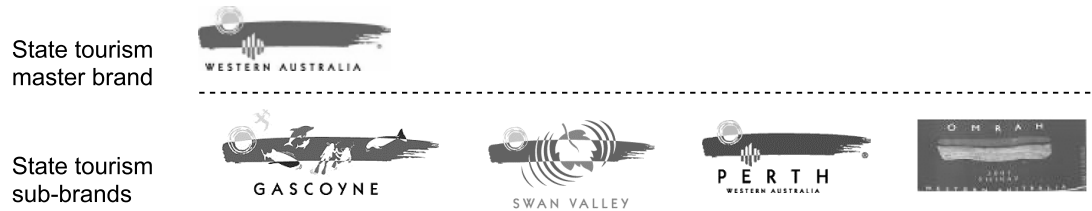


Figure 5: Sub-brand strategy – Western Australia

Walkman (Aaker and Joachimsthaler, 2000a).

Brand Western Australia, launched in 1997, is a good example of a sub-brand strategy (Figure 5). Each sub-brand under Brand Western Australia uses the same visual template as the master brand — a brushstroke of blue sky with a yellow sun and a silhouette of Perth (Crockett and Wood, 1999). The sub-brand logos are visually adapted to suit a particular part of the destination. This allows for a strong visual link between the sub-brands and the master brand. The extent to which the strategy is applied is quite remarkable. There are over 140 adaptations of the master brand used for regions, cities, local attractions, road signage and even product brands, such as the Omrah wine label (WATC, 2003). Western Australia's sub-brand strategy is directly linked to the nation brand, Brand Australia, by means of a similar brand essence and shared values. 'Big Nature Big City', Western Australia's brand essence, links positively with Brand Australia's 'Naturally Free Spirited' (Crockett and Wood, 1999; Morgan, 2000).

To summarise, sub-brand architecture has two key benefits. First, it creates a flexible brand framework that allows sub-brands to maintain their individuality while complementing the master brand. Secondly, it allows the master brand to leverage certain sub-brands to attract niche markets. The sub-brand strategy may present several challenges. First, it may be a costly and time-consuming

exercise because each sub-brand has to be developed in close connection with the master brand. Secondly, there is the concern of brand fit (Bridges *et al.*, 2000). Some sub-brands may feel that adapting to suit the master brand conflicts with their own brand proposition. A final challenge is that it may cause confusion in terms of management and consumer understanding if there are too many sub-brands with similar appearances. Attempts to over-stretch the master brand may result in brand overlap and dilution.

Branded house strategy

A branded house strategy is characterised by a single brand with a dominant driver role which is used to support other descriptive brands (Upshaw and Taylor, 2001). Virgin, for example, has leveraged its name to a whole range of brand extensions, including Virgin Radio, Virgin Active and Virgin Cola. The driver in this case is not the brand extensions but the Virgin brand itself. This results in economies of scale and cost savings due to low investment for each successive brand extension (Zimmer and Bhat, 2004). Moreover, the omnipresence of these brand extensions is conducive to creating high brand awareness (Kim, 2003; Chen and Lui, 2004).

New Zealand provides a clear example of the branded house strategy (Figure 6). The nation brand essence, the central statement used to develop its brand

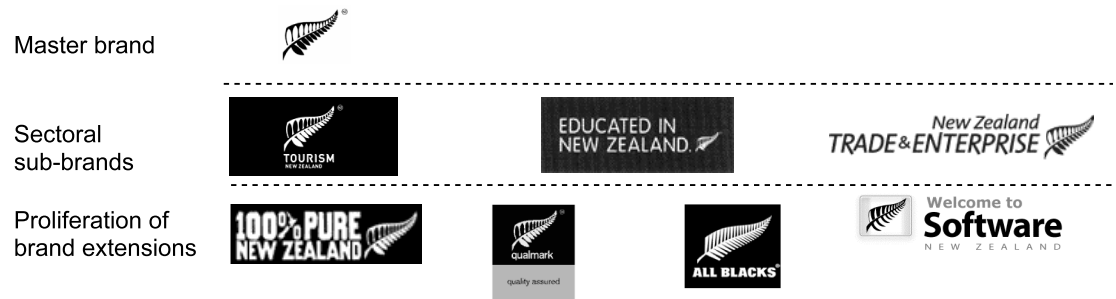


Figure 6: Branded house strategy – New Zealand

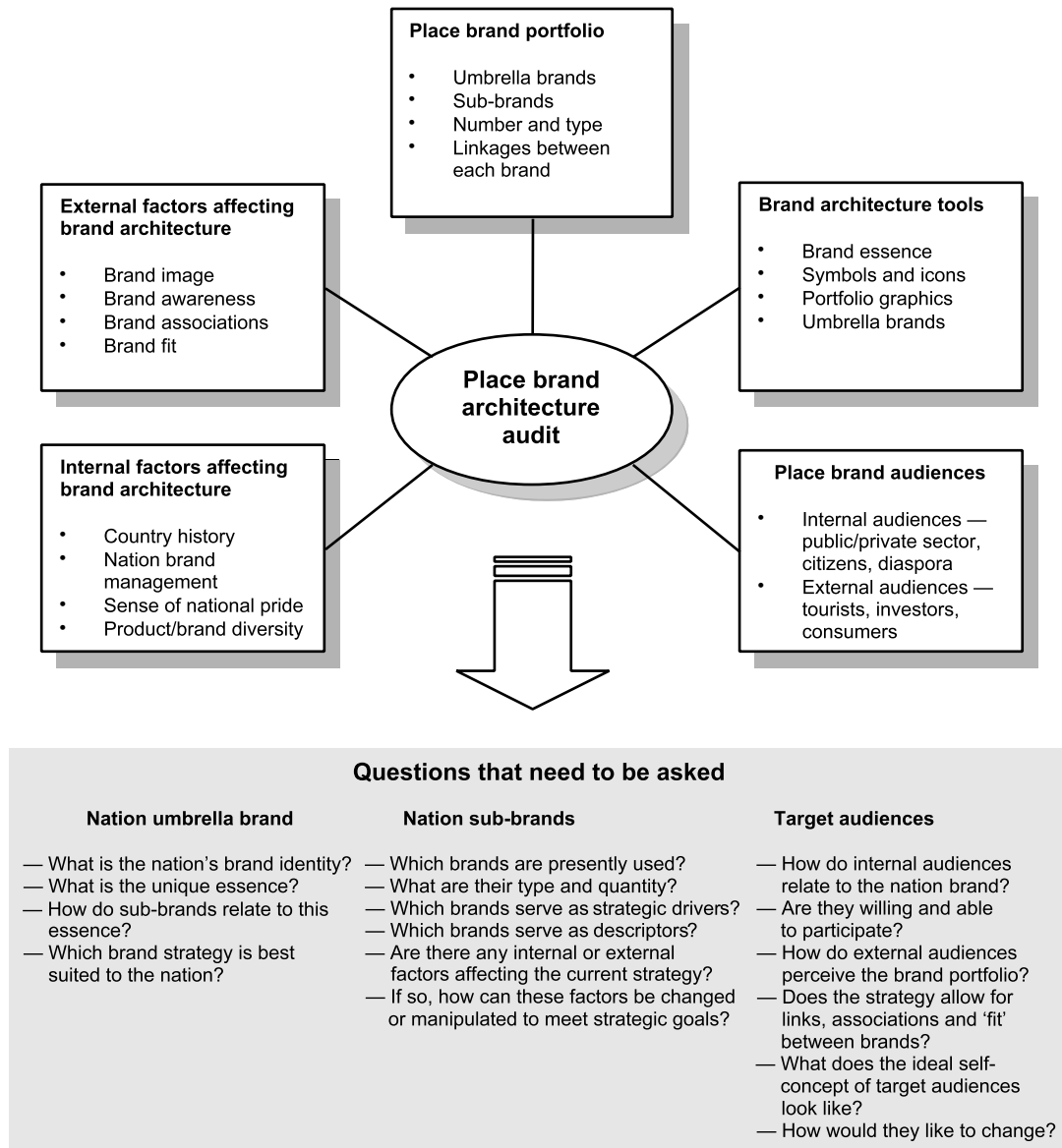
architecture, is 'Landscape' (Morgan *et al.*, 2001). 'Landscape' arouses notions of growth, health, purity and nature. These qualities are firmly embedded in the 'silver fern', New Zealand's country-of-origin symbol, which functions as an 'anchor' in New Zealand's branding. The fern plays a crucial driver role in leveraging New Zealand in areas such as sport, tourism, trade and enterprise, film and education (Morgan *et al.*, 2003). Perhaps the most familiar projection of this brand is in the sporting arena. It is the symbol worn by teams such as the Black Caps (cricket), Team New Zealand (yachting) and the All Blacks (rugby).

To summarise, the advantages of the branded house strategy are high brand awareness, cost savings and increased coherency in branding. Any good which accrues to one of the brands positively impacts on the others. In the same way this can be seen as a disadvantage. Any negative impact renders neighbouring brands vulnerable. Also research has indicated that overstretching the master brand can dilute the overall effect of each sub-brand (Chen and Chen, 2000; Martinez and Pina, 2003).

Brand architecture audit

A 'brand architecture audit' is the process of taking stock of the existing inventory of brands and determining areas where

they could be put to better use (Petromilli *et al.*, 2002; Phillips, 2003). The upper part of Figure 7 shows the various elements of a brand architecture audit, many of which have already been discussed — the place brand portfolio, internal and external factors affecting brand architecture, place brand audiences and brand architecture tools (brand essence, symbols and icons). The lower part of Figure 7 summarises some of the major questions that need to be asked having considered the various elements of the audit. Questions related to target audience perceptions are crucial, particularly as external target audiences (those 'purchasing' the brand) are likely to build their own cognitive structures of the country and its sub-brands. A study by Alba and Hutchinson (1987), a landmark study in consumer cognition, looks at how consumers relate to different levels of product category structures. The authors discern between 'novices' and 'experts'. Novices, they argue, are less likely to deal with complexities within product categories, while experts, those familiar with a product category, are more likely to investigate the finer details. Further, they argue that as consumers become more experienced within a product category there is a tendency to become more focused on product attributes than on the product category as a whole. Novices, who perhaps have less information about



Source: Adapted from Aaker, 2004

Figure 7: Elements of the place brand architecture audit

a particular category, tend to have an overall gestalt impression of that category (Mervis and Rosch, 1981). Using these arguments one could postulate that target audiences with little prior knowledge of a place would be most effectively reached by a simple, coherent, branded house strategy, whereas target audiences which are more familiar with a place

might appreciate a more differentiated set of brands — a house of brands approach. Another important consideration is that as target audiences become more involved with a particular country they are more likely to experience its sub-brands interdependently. Thus a wine enthusiast is more likely to purchase wines from a country previously visited

— tourism interrelating with product exports; a student studying in a foreign country is more likely to have future interests in that country for visiting or investment purposes — educational sector interrelating with tourism/foreign direct investment.

Marketing decisions as to the structure and strategic design of the brand portfolio become easier once these questions related to the nation brand, its sub-brands and target audiences have been answered. Consequently, some brands may need to be leveraged and used to support each other; others may need to be amalgamated to reduce confusion and overlap (Rajagopal and Sanchez, 2004). In some cases new brands will need to be developed to attract new target audiences or to broaden the offer for existing target audiences. Figure 7 illustrates a summary of important elements and questions that need to be considered should a country wish to audit its brands.

The following section is a case study of South Africa's brand architecture. This begins with the methodology approach that was used to design this case study.

CASE STUDY: SOUTH AFRICA'S BRAND ARCHITECTURE

Methodology

An umbrella brand is perhaps the most important construct in brand architecture. Without an umbrella brand acting as a reference point, sub-brands tend to lack direction and purpose. Some of the countries discussed in the literature have developed 'tourism destination umbrella brands' (Morgan, 2000). New Zealand and South Africa are examples where in addition to having an umbrella brand for each sector there is also a 'nation umbrella brand' which encompasses the value-creating sectors of the economy, eg

tourism, exports and foreign direct investment (Boundy, 2003). While there has been much discussion on New Zealand's brand strategy, very little attention has been given to South Africa. It was decided to use a case study methodology in order to obtain a deeper understanding of the strategy, structure and influences of South Africa's brand architecture. While the tourism brand framework was selected as the focus of this study, it was also intended to include and mention other interrelating sectors. The case study approach allowed for the use of multiple qualitative techniques, including an extensive review of secondary data (brand blueprints, annual reports, journal articles and books) supplemented with primary data from interviews with key informants within the tourism and trade industries (Veal, 1992; Saunders *et al.*, 2003). The sample was selected to be fully representative of each level in South Africa's tourism brand framework but flexible enough to include other strategic brands (Table 1). Tourism destination brands were chosen in such a way that they corresponded directly to the brand on the level above or below (Figure 8). In total, 14 personal, semi-structured interviews were conducted, each lasting 30–60 minutes. The interviews were conducted during June and July 2004 in the UK, in London, and in South Africa, in both Cape Town and Durban.

A key concern while conducting and analysing this research was maintaining an objective standpoint. One way of achieving objectivity is through triangulation. According to Robson (2002) triangulation is 'a research approach employing more than one perspective, theory, participant, method or analysis. The notion is that it helps getting a better "fix" on the object of study.' To comply with the first part of Robson's (2002) definition — multiple

Table 1: South Africa's tourism brand framework

Tourism destination brands	
1. Regional Tourism of Southern Africa (supranational tourism brand)	Marketing manager
2. South African Tourism (national tourism brand)	Managing director UK
3. Western Cape Tourism (provincial tourism brand)	Marketing manager
4. Cape Town Tourism (city tourism brand)	CEO
5. Table Mountain Ariel Cable-Way Co. (local attraction brand)	General manager
6. National Botanical Institute (local attraction brand)	Marketing manager
7. Groot Constantia (local attraction brand)	CEO
8. Table Mountain National Park (local attraction brand)	General manager
9. Kayelitcha Look Out Hill (local attraction brand)	Head of interim department
Other strategic brands	
10. Brand South Africa (nation brand)	Chief marketing executive
11. Proudly South African initiative (country-of-origin brand)	CEO
12. Capespan Ltd (corporate fruit brand)	Brand manager
13. South African Airways (corporate airline brand)	Marketing manager UK
14. Wines of South Africa (wine umbrella brand)	Managing director UK

perspectives and theories — the research involved an extensive review of the literature. Over 200 publications were assessed, only the most pertinent of which have been used in this paper. The fields reviewed included product branding, service branding, country-of-origin branding, tourism destination image studies, consumer behaviour and cognitive psychology. Using multiple fields of research assisted in explaining the link between place branding and brand architecture. It also provided a theoretical base for the primary research. As noted, the 14 respondents chosen for this study were from different place brand tiers and economic sectors. This satisfies a second requirement of Robson's (2002) definition — a variety of participants. The last requirement of Robson's (2002) definition — to use more than one method or analysis — was achieved as follows. All 14 interviews were meticulously transcribed to produce a total of just over 48,000 words. Interruptions, pauses and speech overlaps were included in transcriptions in order to yield completeness and accuracy of the data. The data were then coded using a qualitative data analysis computer program, Atlas. ti 2.0 (Muhr, 2004). Of particular use was one of the Atlas. ti 2.0

applications, Word Cruncher. This provided hierarchical hit listings for each word and, in turn, the development of themes. In essence triangulation allowed the researcher to gain a deeper appreciation for the case study as a whole.

The following sections describing South Africa's brand architecture can be followed using Figure 8.

Historical events influencing South Africa's brand architecture

The most significant historical event influencing South Africa's brand architecture occurred in 1994 with the inauguration of President Nelson Mandela. The governing party subsequently changed from the National Party (NP) to the African National Congress (ANC). This in turn led to numerous socio-economic, political and cultural changes. Before 1994 the growth in trade, foreign investment and tourism was severely affected as a result of foreign reaction to the policy of apartheid — a social and political policy of racial segregation and discrimination. In tourism, the fragmentation and weak institutional capacity at all destination marketing levels meant that it was difficult to market the country as a single

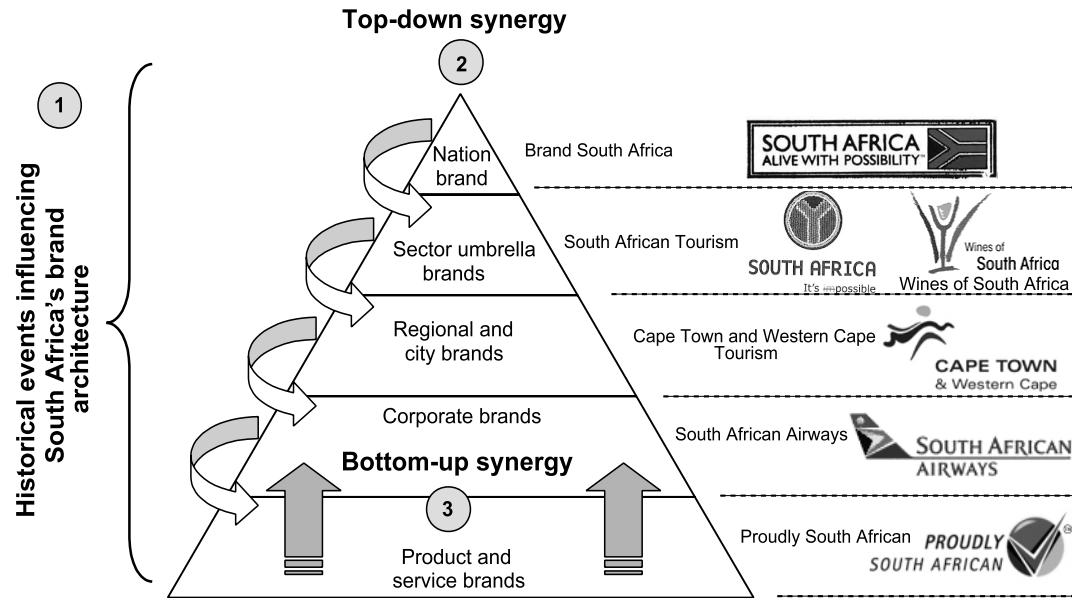


Figure 8: South Africa's brand architecture

coherent tourism brand. Regions and cities operated in isolation and on splintered budgets. Further, there was severe administrative overlap and duplication of marketing efforts.

The unprecedented peaceful transition of government after decades of apartheid rule brought about several major changes. The first of these changes was that the nation was transformed from a separated society to a democratic, non-racial society. A new constitution was written and a new national flag was designed. Administrative frameworks were also changed. Previously, the country was divided into four provinces and ten nominally autonomous tribal 'homelands'. In the new South Africa, the existing provincial and tribal homeland boundaries were erased and redrawn into nine completely new provinces, each with its own administrative authority (Sparks, 2003). This provided a template for the development and management of the nation's sub-brands (provinces, cities and industry sectors).

While the frameworks and constructs of brand architecture were changing inside the country, the perceptions, images and associations of the country were changing from the outside. South Africa began to receive unprecedented levels of international exposure through its quintessential personality brand, Nelson Mandela. Once the world knew that real changes were being made inside the country, economic sanctions were lifted and South Africa became reintegrated into the global marketplace. Increased international awareness and the lifting of sanctions revitalised the economy. It would take some time for South Africa to realise that Mandela and 'miracle democracy', while possibly the precursor for economic growth and foreign investment, were certainly not the panacea. South Africa still suffered from what one author describes as a 'high emotional pull' with limited 'celebrity value' (Morgan and Pritchard, 2002). High emotional pull was driven by South Africa's socio-political changes and the way the world viewed those

changes. Yet this alone creates little momentum for economic change; people can have feelings towards a brand but they do not necessarily have to act on those feelings. Celebrity value is something quite different. It is about desirability and excitement value — the kind of value that encourages people to *act*. To increase South Africa's celebrity value would require changing the mind state of foreign audiences to such an extent that they are willing to pursue South Africa with keen interest — to visit the country, to invest in its companies and to consume its products and services. It would be optimistic to expect immediate changes, but by using the right frameworks or 'brand architecture' and by harnessing 'emotional pull' it is possible to manifest and mould 'celebrity value'.

The top-down synergy of Brand South Africa

Part of the problem in creating celebrity value had to do with the lack of consistency in terms of what South Africa actually offered and what it said it offered. International marketing initiatives were widespread but there was nothing to steer them; no single identity to ensure that *all* messages were consistent. The government's commitment to integrate these marketing initiatives was the initial thrust for a brand architecture audit and the redesigning of the country's brand framework and strategy. In August 2000 President Thabo Mbeki instituted the International Marketing Council (IMC), which became responsible for South Africa's first all-embracing nation brand initiative called 'Brand South Africa' (IMC, 2005). In a similar way to 'Brand New Zealand', 'Brand South Africa' was positioned above the frameworks of tourism, trade and foreign investment, allowing the brand to

perform an umbrella function that linked and integrated its industry sectors. But if one compares 'Brand New Zealand' with 'Brand South Africa' there is a remarkable difference in strategy. Whereas New Zealand strives to maintain a large degree of consistency between its sub-brands, South Africa seeks a more flexible approach. 'Brand South Africa' considers *itself* as the 'ingredient' for nation branding. Its role is to build relationships with its sub-brands (tourism, trade and investment), transferring the values and essence of the nation brand from one brand to the next. The concept of brand essence is mentioned in the literature but with little explanation of how the transfer process occurs. The essence of 'Brand South Africa' is 'Alive with Possibility', which in a succinct way encapsulates South Africa as a nation and augments the potential it offers to the outside world. It is a compressed formula filled with latent creative potential which can manifest itself in different propositions describing various facets of South Africa — its people, its culture, its economy, its landscape and so forth. As the marketing director for 'Brand South Africa' explains:

'We work with our stakeholders in the areas of tourism and trade and investment to develop specific promises that feed off from the essence [Alive with Possibility] into a tourism promise and also a trade and investment promise ... sub-brands and brand extensions develop in that way.'

By using the nation brand essence, subtle changes can be made to sub-brands in terms of their own personalities and value propositions. It is thus a process of alignment rather than forced compliance. South African Tourism, for instance, recognises itself as 'an experience-based brand' and has converted 'Alive with



Possibility' into a proposition based around 'possible experiences'. In addition its slogan has changed from 'Discover South Africa, rediscover yourself' to 'South Africa — it's possible'.

'Alive with Possibility' has played a similar 'alignment' function on a regional and city brand level. The first to align with the nation brand was the city of Cape Town and its province the Western Cape. Initially there was overlap and confusion created by various separate organisations and agencies promoting the province and the city. It took three years to integrate these initiatives and develop a coordinated and united image for the entire region (Watson, 2005). The result was an amalgamation of the provincial and city tourism boards, which became 'Cape Town & Western Cape'. The nation brand facilitated the amalgamation process by connecting tourism, trade, exports, investment, film and major events activities within the region. After months of research in key international markets (the USA, the UK, China, Nigeria and Germany) an overarching brand proposition was created: 'The Cape: a unique meeting place that unlocks possibilities that inspire'. This proposition is linked to a number of overlapping themes which address the needs of each respective sector. 'Cape Flair Incubator', for example, is a theme used to attract business opportunities and intellectual capital. But it also has connections with showcasing talent, art and culture, and in that way relates to tourism. Interestingly, the process that led to the amalgamation of the province and the city has resulted in savings of 8 per cent in annual marketing expenditure. There are other benefits, too, which are more difficult to measure in monetary terms. For one, the new brand has managed to alleviate issues related to geographical boundaries. It is now possible to leverage the city brand (Cape

Town) to develop weaker descriptive brands within the province, such as the 'Cape West Coast' region. The South African Tourism Board describes this architecture technique as 'hooks' and 'textures', which are essentially the same as the terms used by Aaker and Joachimsthaler (2000b), 'drivers' and 'descriptors' (Carolus, 2004). 'Cape' in this case acts as the driver that captures the interest of the consumer. Weaker descriptive brands within the province are able to use the Cape brand as a form of endorsement. This encourages the flow of tourism and business throughout the region, instead of limiting it to the city.

Some issues were raised by respondents with regard to the acceptance of 'Alive with Possibility' — mainly in the private sector. One respondent (a wine producer) argued that wine brands, particularly those in the up-market category, should remain 'conservative' and avoid using 'gimmicks' on bottle labels. Another important concern raised was that the concept of 'Alive with Possibility' as a brand essence can be easily misconstrued as a brand proposition or slogan. As one respondent explained:

'My understanding of "Alive with Possibility" was always that it was the *brand essence* rather than the brand proposition ... you hook on to ['Alive with Possibility'] and creatively interpret it as your consumer proposition; which is another message. And somehow the second part, the creatively interpreted consumer proposition, doesn't seem to have been pulled out of that ... Conceptually I think it is a less easy idea for people to hold on to.'

The literature warns against confusing the brand essence with a tagline or consumer proposition (Aaker and Joachimsthaler, 2000b). Taglines are

designed for external audiences and can vary, while the brand essence is aimed particularly at internal audiences and should remain consistent over time. An organisation that tested 'Alive with Possibility' in the UK consumer market found that it may conjure up mixed feelings. On the positive side it brings across ideas of an emergent nation; huge potential to be realised and a younger generation moving forward. Yet the same research also indicates a cynical view of possibilities being dependent on investment and expertise from the Western world.

A brand essence is a very subtle concept. Findings indicate that overt negotiation or direct promotion of the brand essence may generate confusion for both internal and external audiences. The implications of these findings suggest that South Africa's brand essence is more effective as a tool for developing the propositions of other brands than working alone as its own proposition. Perhaps what is needed is a clearer nation brand proposition based around the essence of 'Alive with Possibility'.

Bottom-up brand synergy

The top-down synergy of 'Brand South Africa' has its limitations, predominantly within the private sector at the lower levels of the brand pyramid which are more reluctant to adopt values from the top. It is here that bottom-up synergy becomes particularly important because it links the private sector and civil society with the efforts of the nation brand. New Zealand has achieved this through its use of the silver fern in sport, education, trade and tourism. The fern is far more effective than a logo because it relates to a much wider group of stakeholders. Origin devices like the fern have a deep connection with people,

culture, tradition, pride and national heritage.

South Africa's most prominent country-of-origin device is its national flag. (A contender for international recognition would be the springbok sports symbol, but the springbok suffers from apartheid connections which have made it less acceptable internally.) The flag is deeply rooted in post-1994 democracy, but its connotations have little to do with government parties or political affiliations. Inherent in the flag are elements of human rights, liberal thinking and pride in what the nation has achieved. Interestingly, South African public and private sector organisations have used modifications of the flag (Figure 8). The shape of the flag varies from brand to brand while the colours (red, white, black, yellow, blue and green) generally remain the same. Wines of South Africa, the international wine promotion authority, has remodelled the flag to represent a wine glass. South African Tourism, the national tourism authority, uses it as a welcome gesture for international tourists. Proudly South African, a local endorsement campaign, uses it as a tick of approval for South African companies, products and services, and South African Airways has fashioned it into the wings of an aircraft. There is no official meaning behind the colours or design of the flag, although some sources relate the colours to the multicultural aspects of South Africa (South Africa Online, 2005). Moreover, there has been no overarching plan for maintaining the visual appearance of each flag brand. The burgeoning of flag brands has developed purely out of pride and willingness to incorporate national identity.

The Proudly South African initiative is a clear example of where bottom-up synergy is most active. Over 2,000 companies have joined the initiative since

its inception in 1998 (Proudly South African, 2003). The proliferation of products and services displaying the Proudly South African logo has created remarkable brand awareness — as high as 71 per cent among consumer groups within two years of its inception (Irwin, 2004). Companies wishing to use the brand need to adhere to certain criteria such as a high-quality standard of products, fair labour standards and a high level of local content (above 50 per cent). According to the CEO of Proudly South African (as at July 2004), ‘the job of Proudly South African as a brand is to warrant that specific companies and products meet certain criteria. So it has a very specific function, although it trades on national pride.’ The private sector has strongly supported the brand because its ethical values and fair labour standards act as a favourable differentiator or point of leverage (Irwin, 2004). It also provides an opportunity for member networking and the sharing of research and statistics (Duffy and Hooper, 2003).

Collectively the nation brand essence and the flag form very potent formulae for developing sub-brand architecture. The nation brand builds national pride and aligns with its sub-brands from top to bottom — unifying but also differentiating the internal values of each brand. The flag anchors national pride and allows for visual differentiation and free expression of each brand, which in effect creates synergy from the bottom up (Figure 8).

There are, however, a few cautionary suggestions with regard to the use of the national flag in branding. First, as a symbol of national pride there are no copyright laws protecting its use. One respondent commented that ‘often you have companies generating their own little flag brands, which is a problem because there is no credible warranty behind that’. Having too many flag

brands using the same basic ‘template’ could result in brand dilution. Secondly, the national flag will almost certainly have more meaning and relevance for internal markets than for external markets (South African Airways, 2004). It may be useful in future research to test the perceptions of South Africa’s flag against the perceptions of the country and each of its sub-brands.

CONCLUSION

Brand architecture is a concept that has evolved from the realms of conventional branding. It describes a process of managing and designing a portfolio of brands so as to achieve efficacy, clarity and value. The aim of the research was to explore the relevance of brand architecture in the context of place branding. While some papers have hinted at the usefulness of brand architecture in a place brand context, few have explored its application (Morgan and Pritchard, 2002). The paper began with a literature review, discussing different viewpoints on brand architecture. It examined four types of brand architecture strategy, contrasting relevant place examples with corporate examples and mentioning the advantages and disadvantages of each strategy. The second part of the research looked at the recent development of South Africa’s nation umbrella brand — one of the first of its kind — and the reconstruction of the tourism framework to align with this brand. Fourteen interviews were conducted between June and July 2004 with relevant South African stakeholder brands. The results of this research determined useful techniques in brand architecture development — the specific strategy that South Africa has applied, how this strategy has evolved

and where limitations exist. It makes recommendations for places considering applying the same or similar strategies. This paper sought to reveal the concept of place brand architecture in the hope that researchers would be encouraged to focus more narrowly on its finer details and intricacies. A few research areas that may be of interest include the following.

- Can a country's corporate, product and service brands be used in co-brand relationships with place brands? The Danish Tourism Board and Carlsberg (beer) could be one example.
- More research on *soft* methods used for achieving place brand 'fit' — brand essence, the use of internationally recognised symbols and umbrella branding.
- Research into cognitive processes of target audiences: how does a consumer's cognitive categorisation influence the design and strategy of the nation's brand architecture?
- More discussion on the 'place brand architecture audit' in terms of what it entails and which brands and target audiences need to be included.
- The flexibility and dynamics of place brands: is it possible that place brands can be amalgamated, leveraged, introduced or subtracted just like any other brand?
- Research on the limitations and benefits of different brand architecture strategies, and more examples of place brands that have applied these strategies.
- The possible use of a country's well-known celebrities and personalities as reinforcement for brands within the place brand portfolio.
- The building and harnessing of national pride: more research on how

national pride can be used in developing cohesive brand architecture.

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