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**Changing Perceptions: National Branding – Implications for Strategy  
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**“THE BRANDING CONCEPT”**

**A paper prepared by  
Mr. Asim Calis  
Expert  
Export Promotion Center of Turkey (iGEME)**

## **1. The Branding Concept**

Today, we gather as professionals of external trade sectors but in same time, all of us are also consumers. As consumers, we don't really think about the importance of branding. We just seem to go with the flow of brand names that have become synonymous with our daily living. But the impact of a name reinforces the importance of branding when we promote our national companies in external business.

When we are considering the name of any company, we need to remember the importance of branding. Deciding on a name is not a fluke, but instead is a well thought out process and analysis of names and meaning. The importance of branding begins with creating a simple name for your company. Consumers remember simple. Also, making sure your name can be associated with a positive value, characteristic, or position is part of the importance of branding. Consumers like products to which they can associate positive qualities.

Another aspect of the importance of branding is that the name must be different and unique. If your name is too close to another company's then people are likely to mix you up, which reduces revenue. Also, the importance of branding needs to be voiced to the employees so that your message is clear to all of employees and the public. If we have a vision or goal statement, then you need to voice the importance of branding here also. Employees need to understand the importance of branding so that it is communicated in the office and to consumers every day. The message you are trying to get across in branding depends on the employees putting it out there to consumers.

That's why, the "brand development" and "brand strategy" became one of the most important activities of any kind of business. Brand development is the process of aligning the behavior of every component of the organization with the brand strategy. Obviously, it's a big concept. It reaches far beyond traditional brand management centers like marketing and advertising to include areas such as product design, packaging, customer service, sales, the distribution channel, and yes, the billing department. It may represent a "sea change" in the leadership focus of an organization.

We believe that brand development can be a more effective rallying point for employee behavior than traditional tools such as "mission statements" or "company values". Too often, mission statements provide only a vague notion of achieving greatness without really saying how it is to be accomplished. Management withholds that information because business strategy is, well, confidential. Statements of company values often sound like the Boy Scout Oath to employees, who know full well that the company exists to make money and not to advance "respect for the individual".

Brand strategy, or at least brand delivery, is not confidential. In fact, you want to shout it from the rooftop. A good brand strategy is also specific enough to guide organizational behavior. Like a good positioning statement, it should describe what the organization is in business to accomplish, who it wishes to attract as customers, and how it plans to distinguish itself from competitors by its actions and by its character.

Given the opportunity, most people can begin to relate what they do on the job to successful delivery of the company's brand strategy. Given the proper rewards and personal encouragement, most people will adopt their behavior to support a positive brand promise.

We all know that establishing a brand really can help a developing country to improve its market position and international profile. The first rule of nation branding has to be a long, hard look at the reality of the country and asking a painful question: "To what extent do we have the brand image we deserve?" If the answer is: "Our image is out of date, unfair, biased" and we do something about it, so that people want to visit, or invest or buy our products or engage in cultural or political relations with us — then branding can make an enormous difference.

In this context, countries can prepare a brand strategy that shows what their image would need to be to achieve their economic and social goals, and how to deserve that image. In this context, a brand strategy is little more than a very focused and efficient way of doing development. Unlike most development strategies, however, it bears in mind that there is a marketplace out there that needs

both rational and emotional reasons for buying. A nation brand strategy, as with most corporate brand strategies, makes decisions a lot easier, and the speed with which you get results is much faster. It ensures that you get payback on your investment.

In this respect, I'd like to tell what Turkish Government exactly do on this way.

## 2. Turkish Experience on Branding

Owing to the implementation of the liberalization process since the January'1980, the Turkish economy has experienced a period of high growth. Foreign trade, both in exports and imports, has grown rapidly and noteworthy changes in the structure of exports have taken place. The dominant role of agricultural products in exports came to the end in favour of industrial products. At the same time the product composition of exports diversified and the volume of foreign trade increased about three-fold in that decade.

The Customs Union established with the European Union and the conclusion of the Uruguay Round are the main determinant factors shaping Turkey's foreign trade policies and orientations. The Customs Union incorporates Turkey into the single European market by extending most of the EU's conventions on trade and competition to Turkish industry.

### Turkish Foreign Trade from 1980 to 2005 (US\$ - Billion)

Year	1980	1985	1990	1995	2000	2002	2003	2004	2005
<b>Turkish Export</b>	2,9	7,9	12,9	21,6	27,7	36,0	47,2	63,1	73,1
<b>Turkish Import</b>	7,9	11,3	22,3	35,7	54,5	51,5	69,3	97,5	<b>116,0</b>
<b>Volume</b>	10,8	19,2	35,7	57,3	82,2	87,6	<b>116,5</b>	<b>160,7</b>	<b>189,1</b>

Source: Turkish Statistic Organization

In 2005, Turkish export reached to US\$ 73 billion, recording an increase 16% over 2004. Imports on the other hand recorded an annual increase of 19%, parallel to the boost in domestic production and amounted to US\$ 116 billion. The foreign trade volume reached to US\$ 189 billion with an increase of 17,7% compared to the previous year. The export/import ratio occurred 63%.

Main export items of Turkey are ;

- ▶ Textile and clothing (30%)
- ▶ Machinery and transportation (16%)
- ▶ Automotive and spare parts (13%)
- ▶ Agriculture and food (10%)
- ▶ Iron and steel (9%)

► Chemicals and plastics (5%)

We all know that especially in textile and clothing sector has large important for branding. Turkey, as an considerable textile and clothing exporter, started a new approach for branding activities.

### **3. Turquality Programme**

In this context, The Undersecretariat of the Prime Ministry for Foreign Trade embarked to set-up of the Turquality programme. This ambitious project aims to upgrade the international image of Turkish-made products. It also strives to provide the industry with a strong stimulus to upgrade and reposition on the higher segments of the new global market.

The Turquality programme mainly consists of two complementing activities. On one side, there is the development of a "quality manual and accreditation scheme" which defines the quality standards which applicants will be required to meet in order to be accepted in the programme and for use of the Turquality logo and brand.

On the other side, an articulated auditing programme is currently being implemented with the aim to "benchmark" Turkish companies with international best practices in this field all over the world. This part of the project is particularly focused on each company's organisation and processes. The purpose is to provide each participating company with a dynamic tool to identify its weakness areas in the path towards excellence. This will be done according to each individual companies' own, specific strategies.

Therefore, Turquality is much more than a branding programme. It is also a very versatile platform for member companies to be supported while they strive towards excellence and to successfully compete with today's highly dynamic international markets.

This is a very unique project which is such a complex mix of marketing, quality upgrading and strategic positioning, to be implemented for the first time in Turkey and, possibly, in the world.

### **4. Details of Turquality Programme**

Turkish government applies some of state aids to promote to Turkish export which totally harmonized and appropriated with GATT and EU rules. Turquality, as one of the important one has versatile and sophisticated programme, has targeted especially textile and clothing sector.

#### **1-Aim of the Programme:**

In frame of national branding strategy, the authorized body (Undersecretariat for Foreign Trade) applies a decree towards assists the sectors aiming for creating their original brand.

#### **2-Scope of the Programme:**

The official decree about the Turquality Programme covers some activities of the following organizations & institutions ;

-Exporters' Unions:

-Foreign Trade Capital Companies

-Foreign Trade Sectoral Companies

-Producers' Unions

-Producer Companies (SME's)

-Commercial Companies (Exporters)

### 3-Support Amounts:

According to the official decree, different units benefit from this mentioned support in different forms. Briefly,

-Exporters' unions can receive US\$ 250.000 (max.ratio 80%), for their advertising, fashion show, campaign aims at image improvement and strategical consultancy expenses.

-Companies can receive US\$ 300.000 (max.ratio 50%) for their international branding expenses and US\$ 50.000 for patent right expenses, US\$ 300.000 for their rental and movable expenses, US\$ 200.000 for their showroom and similar rental expenses, US\$ 50.000 for their franchising and similar marketing expenses and US\$ 100.000 for their mold, form and pattern equipments and consultancy expenses related with the branding activities.

-Producers' Union and Producers' Associations can receive US\$ 100.000 (max. ratio 50%) for their advertising, fashion show, campaign aims at image improvement and strategical consultancy expenses.