

Starcom IP strengthens digital management

By Ella Fitzsimmons

BEIJING Starcom IP has bolstered its regional management team, led by the hire of Carey Loh to head its China operation. Loh joins from Euro RSCG's Beijing office where he spent two years as the head of digital and interactive media. He succeeds May Tse, who will leave the

agency in May. Loh will be based in Beijing.

In addition, Starcom has hired Dinesh Sandhu, most recently business development director at Agenda Interactive in Kuala Lumpur, to the role of business director and head of Starcom IP Singapore, a position that has remained vacant since the de-

parture of Christer Eriksson.

The agency has also made two new hires from the client side, bringing in Rose Luk from Johnson & Johnson to take the position of strategy manager in Hong Kong.

Suyesh Shankar arrives from a previous position as Dell marketing manager in India, to become strategy di-

rector in Singapore.

"It's important in building the team that we have a really diverse group of people, in terms of both breadth and depth of experience as well as nationality, because it gives us the flexibility and different perspectives we need to grow the business," said Starcom IP Asia GM Pushkar Sane.

MNCs unveil baijiu labels

Moët Hennessey and V&S Group develop brands for lucrative domestic market

By Arun Sudhaman

CHENGDU Wenjun, the distillery which counts a 55 per cent stake from Moët Hennessey, has handed creative duties to boutique agency Bravo Asia, as the company relaunches its eponymous brand into the mainland's booming *baijiu* (white spirits) market.

The development comes as foreign liquor giants step up efforts to penetrate a category that has been called the largest spirits segment in the world.

V&S Group, owners of Absolut, is launching a new *baijiu* brand next month after forming a joint venture with the historic Jiannanchun distillery, which also owns the remainder of Wenjun.

In addition, Diageo owns 43 per cent of Chengdu Swellfun, which produces Swellfun, one of the country's leading *baijiu* brands.

Bravo secured the business after a shortlist that was believed to have included Nitro, Lowe and WE Marketing. Wenjun recently collaborated with Singapore's Design Bridge to develop an entirely new brand positioning.

Based around the 'legend of Wenjun', Bravo will work on strategy, creative and branded experience development, said Bravo Asia founder Aaron



Simonsson... TCX brand will adopt more contemporary feel

Lau. "Wenjun is a premium white spirit looking at the top of the market," said Lau.

"The biggest challenge is that they want to differentiate themselves from all the other hundreds and thousands of white spirit brands out there. They are relatively new — we are starting from a blank piece of paper."

In China's *baijiu* market,

Wenjun is perceived as a challenger brand compared to the category's market leaders: Wuliangye, Kweichow, Swellfun and Jiannanchun. As such, said Lau, it will attempt to "challenge the established state of mind".

Its launch comes ahead of TCX, the new brand being rolled out by the V&S/Jiannanchun joint venture. "We

believe that a brand needs a platform to succeed and that consists of a recognised producer," said Sichuan TCX Liquor managing director Johan Simonsson. "It has quality credentials — if you take other more local players, who are not premium, it will be very difficult for them to build up new premium brands. That is what this JV will build from. You need a quality stamp from the producer."

Sam Mulligan, director at Data Driven Marketing, which works with V&S Group, pointed out that, for international players, penetrating China's *baijiu* market offered significant upside.

"If you can understand the *baijiu* market well, you can understand what Chinese people want to drink," he said. "No one has the idea of converting them from other spirits but if you understand the *baijiu* market, you understand the segment where international spirits are not consumed."

Simonsson admitted that launching a new brand in a market fixated by heritage was a "risk". "But this is a brand produced under Jiannanchun," he pointed out. "And we believe that we can be different."

China agencies closing in on MNCs: survey

BEIJING Grupo Consultores and R3's recent survey of marketing perceptions in China has revealed that, perhaps surprisingly, the gap between international and local agencies is relatively narrow in the minds of clients, with local agencies taking the lead in some key categories.

The study, which polled 536 client marketers via face-to-face interviews across 12 Chinese cities, included marketing decision makers from MNCs such as adidas, Unilever, McDonald's and Nokia. Significantly, top local companies such as Lenovo, Li Ning, Uni-President and Yili were also included in the study. More than 200 foreign



Goh... pressure on MNC shops

and local agencies were benchmarked according to their perceived creativity, marketing services, media planning and strategy.

In the category of 'under-

standing the Chinese consumer', 57 per cent of local agencies were perceived as understanding the target audience, whereas only 48 per cent of MNC agencies could boast the same result.

While 69 per cent of MNC agencies were seen as having effective creativity, against 56 per cent of local agencies, local shops were much closer to their international counterparts when it came to the originality of their creative ideas. In the latter category, MNC agencies were only five per cent ahead, perhaps bucking some common stereotypes of local Chinese agencies. Those stereotypes were further refuted in the 'groundbreaking

and innovative agency' category, where local agencies achieved a score of 39 per cent, nudging just ahead of MNC agencies at 38 per cent.

While MNC agencies maintained a significant edge in terms of strategic planning, they struggle to keep up with their local counterparts when it came down to sales promotion, and thinking beyond advertising.

"What is perhaps surprising is how they rate local agencies versus international agencies, said Goh Shu Fen, principal at R3. "The gap is much closer than one would anticipate so the pressure on international agencies will get a lot more intense than ever before."

IN BRIEF

Mongolian dairy behemoth Mengniu, has awarded the bulk of its ice cream brief to Saatchi & Saatchi.

Leo Burnett China has secured the US\$3.5 million account for Zhe Jiang Mobile's Olympic branding.

WPP's Research International has agreed to acquire a majority stake in Zdology, a Chinese shopper research specialist based in Guangzhou.

Johnson & Johnson has shifted creative duties for Tylenol in China to JWT Shanghai without a pitch.

DDB, McCann Erickson, Arc Worldwide and Marketing Store will pitch for the Intercontinental Hotels Group's creative business.

Double A Paper has picked Grey Beijing and Leo Burnett Guangzhou to handle brand building for northern and southern China, respectively.

Mainland sports brand 361 Degrees has put its creative account up for pitch, pitting Saatchi & Saatchi Beijing against Ogilvy & Mather.

Nokia has retained Ogilvy PR to handle its Greater China PR brief after a four-month review.

Vincent Pang, previously group CD of McCann Erickson Shanghai, has been promoted to ECD, a role previously occupied by McCann Hong Kong MD Spencer Wong.

Guangzhou agency Megaarch Media has sealed a three-year contract with Guangzhou TV to manage its free Financial Channel starting from April.

Pepsi has signed up Alan Luo from Taiwan, Huang Xiaoming from China, and Jun-Ki Lee from South Korea, to replace celebrity Edison Chen.

Howard Yoon of McCann Erickson has returned to BBDO as client service director in Korea.

HSBC will rollout a full-blown integrated campaign on 7 April to accompany the Leonardo DiCaprio-assisted launch of its Green credit card.

SmarTone is launching a new campaign for its HomePhone+ service, developed by roster agencies OgilvyOne, OgilvyPR and ZenithOptimedia.

Just Gold has launched a campaign, developed by M&C Saatchi, around the theme '80s come back'.

Hoegaarden has launched a new 'express yourself' online forum and microsite, developed by OgilvyOne Hong Kong.

Grebstad Hicks Communications has been named PR partner in Asia for London's Maybourne Hotel.

Publicis Groupe has rebranded Solutions, its India and Singapore marketing arm, as Solutions Digitas.

Ruder Finn and Beijing's Tsinghua University have launched a new programme designed to create and disseminate research and expertise in CSR.

DDB China has launched an advertising campaign in the mainland for Virgin's new Upper Class Wing (lounge) located at Heathrow airport.

The Jumeirah Group has unveiled a new Chinese brand name, 'Zun Ya'.

The SCMP Group has reported record profits of US\$548.1 million, the highest for the past seven years.

Publicis Ambience has appointed Bapi Bit, formerly of Rediffusion DY&R as senior CD.

Citic's recent CitiFirst campaign in Hong Kong carried a budget of over HK\$10 million (US\$1.3 million), not \$140,000 (Media, 20 March).