

Chinese brands lag in popularity poll

Consumer engagement survey suggests that Chinese business leaders should start taking brand-building more seriously

By **Kenny Lim and Benjamin Li**

BEIJING Nokia, Yao Ming and the National Basketball Association (NBA) lead the way in a survey of the brands, celebrities and media properties that Chinese consumers find most engaging.

The quarterly 'En-Spire' study, by R3 and research firm CSM, polled 1,500 consumers in 10 Chinese cities and asked them to name the brands they found most engaging. Out of a total 168 brands cited by these consumers Finnish telco giant Nokia was voted as the top brand with 67.4 per cent of the vote.

Second-placed Coca-Cola continued its positive spill-over from the Olympics. Nike ranked highly, mainly due to its leadership position as NBA sponsor, and Lenovo and adidas made up the rest of the top five.

"While the NBA has more than 44 brands mentioned as associated with it, Nike's activities are clearly cutting through. Coke connects well with [brand ambassadors] Yao Ming, Liu Xiang and other big stars — so it is doing a good job in managing its assets," said Greg Paull, principal of R3.

Tim Riches, chief growth officer, Asia-Pacific at Future-Brand noted that the top brands are all strongly involved in a variety of sports sponsorships. "However," he added, "I'm surprised more local Chinese brands are not featured."

Opinion is divided over



Nokia... finished top of the R3/CSM survey as the brand Chinese consumers find most engaging

whether or not the absence of home-grown brands in the list is a bad thing.

Martin Roll, CEO of VentureRepublic, called it a "huge wake-up call to Chinese business leaders to start taking branding and brands more seriously, and to create and sustain their own strong global Chinese brands".

However, Kitty Lun Chan, chairman and CEO of Lowe China, noted that for a locally developed brand like Lenovo to have made it as high as

number four remains a big achievement.

She said: "All Chinese brands have the potential to compete with Western brands in terms of brand engagement. China has shown the world that we are constantly leapfrogging our foreign competitors."

Lun noted that Chinese corporations might have previously focused on products, channels and sales but building "a powerful and consistent brand personality" could be next on marketing decision-

brand passion, preference and well-defined values."

Michael Wood, Leo Burnett's Greater China CEO, agreed that "China's consumer market has progressed beyond 'shout it and they will come' to one of 'engage me and we will forge a lasting connection'. Brands that have a purpose in consumers' lives activate that purpose in meaningful ways beyond simply advertising and build lasting connections."

The NBA was the top media property, proving more popular than any home-grown programming. The study also analysed 494 different sports, music, film and business stars from within China and beyond, looking at three main areas — preference, engagement and values. On brand values, both Yao Ming and Andy Lau ranked highly, while Jackie Chan, Liu Xiang and Xiao Shen Yang made up the rest of the top five. The findings give a clue as to which stars may make suitable endorsers for brands.

Paull said: "Matching a star's brand values to that of a company is really the missing link here — in the past, too many celebrities have been signed up on a whim without any grounding in consumer insights."

Wood agreed that "stars for stars' sake may create short-term awareness but usually get lost in the clutter". He added that "brands have always used celebrities in Asia but few have been used well".

Industry comments



Kitty Lun Chan
Chairman,
CEO, Lowe
China

"These Western products are beating Chinese because of their marketing strategies and their ability to engage consumers.

It's definitely not just a matter of big budgets. Top media spenders in China are pharmaceutical and personal care categories. These top brands have consistent brand personality, but are also constantly challenging and renewing themselves. The brand personalities reflect consumers' image."



Warren Hui, MD, China Media Exchange

"Brands like Nokia and Coca-Cola have ridden on events with which consumers have high engagement, like the Olympics, NBA and New Year countdown. This may seem outdated, but it's effective.

Budget is one reason these foreign brands have taken the top spots in China. Well-defined strategies and consistency are also important in such a noisy market

Chinese brands like Lenovo. Haier and Yili absolutely pose a real threat to foreign brands."

168

Number of brands cited in R3/CSM survey

67.4%

Nokia's share of the vote, putting it top of the list

56.4%

Coca-Cola's share, giving it second place

54.9%

Nike was hot on Coke's heels in third place

37.1%

Chinese-born Lenovo took fourth position

36.0%

Fifth position went to adidas

Pitch List August

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Clients	Markets	Discipline	Agencies	Winners
Unilever	Global	Media	GroupM, OMG, Mediabrands	TBC
Emirates	Global	Integrated	Omnicom, WPP, Interpublic	TBC
Vodafone	Global	Media	GroupM, OMD, Carat	OMD
Hyundai/Kia	Global	Media	Carat, GroupM, MPG, OMG	MPG, OMG
Mead Johnson	Global	Creative	Saatchi & Saatchi, Grey	Saatchi & Saatchi
Budweiser	Global	Creative	DDB and others	DDB
BMW	Southeast Asia	Creative	Publicis, TBWA, McCann Worldgroup	Publicis
SingTel	Singapore	Media	MediaCom, Starcom, MEC, MPG	TBC
Indian Tourism	India	Media	Undisclosed	TBC
Set Mix	India	Creative	JWT, TBWA and others	JWT
Unicharm	China	Creative	JWT, Asatsu-DK	TBC
Beijing Mobile	China	Media	Vizeum, MEC, OMD	TBC

ROUND-UP August saw a lot of activity. Major decisions were made in the Vodafone, Hyundai and Budweiser global reviews. Omnicom and Havas agencies shared the spoils in these pitches.

Meanwhile, FMCG giant Unilever continues to assess its media options at a holding company level, involving GroupM, OMG and Mediabrands.

Publicis scooped the creative account for Southeast Asia for automotive giant BMW after a final shoot-out against TBWA and McCann Worldgroup

Sister agency Saatchi & Saatchi also secured the global Mead Johnson US\$500 million creative business, after a final two-way battle with Grey Advertising. Six agencies were initially thought to be involved.

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