



By Simon Anholt

The term 'brand' is more widely applied than ever before. Department stores are brands, companies and universities are brands, singers and sports stars and politicians are brands. Even political parties, religions, cities and nations are described as brands.

The reason for this newly found zeal for the term brand is that places, people and organisations have found that their reputation is important. They suffer when it's negative, they profit when it's positive, and they make some attempt to control it. As with products in a supermarket, the ones with the well known and trusted names are often chosen first, and people will often go to quite a bit of trouble and expense to get hold of them.

The brand name acts as our shortcut to an informed buying decision. The more often we are proved right about our choice, and the more often the product or service lives up to the good name of the company that makes it, the more valuable that name becomes in our eyes.

Exactly the same principles apply to places. Whether we're thinking about going somewhere on holiday, buying a product that's made in a certain country, applying for an overseas job, moving to a new town, donating money to a war-torn or famine-struck region, or choosing between films or plays or CDs made by artists in different countries, we rely on our perception of those places to make the decision-making process a bit easier, a bit faster, a bit more efficient.

Most governments understand this very well, and many of them are trying to 'manage their reputations', as the jargon has it. Some countries have done so quite successfully: Ireland, Spain, New Zealand, South Africa and Scotland have all improved their images fairly quickly, and their economic health and self-respect have benefited as a consequence. Then there's a handful of 'megabrand' countries – like Japan, Germany, Italy, Switzerland and France – with images so powerful and so positive that you might think they hardly need to bother managing them (in fact, few of them do, at least not in a very energetic or systematic way).

And way ahead of the megabrands, 'Brand America' is in a class of its own. 'Made in America' is a premium label across an incredibly wide range of product and service sectors, from technology to fashion, travel to finance, food to engineering and youth brands to medicine: for decades, products from America have merely needed to state their country of origin, and consumers around the world have welcomed them with enthusiasm.

But commercial brands are only one aspect of the nation-brand. America comfortably dominates the whole spectrum of national image, from its massive trade presence both in imports and exports to foreign policy, where, like it or not, it has the loudest voice and the strongest brand. In international cultural activity and cultural influence, no other country comes close to America's dominance – some would say its stranglehold – over global television, cinema, music, book and magazine publishing and its presence on the internet. American people, famous and not, are everywhere, and act as powerful communicators of Brand America in everything they do and say.

Putting a man on the moon may not have actually been intended as an advertisement for American technology, but it certainly worked as one; NASA isn't, strictly speaking, a sales promotion agency for American technology, any more than Hollywood is the advertising agency for American values, culture and tourism, but both have always performed these roles with vigour and effectiveness.

From the unconscious but instinctive to the deliberate and premeditated, America has done more to control its reputation than any other place in history. In war and in peace, through words and actions, inside and outside its borders, it has done so from its earliest days. Today, there is no other person, place or thing with a recognition as

wide, as deep, as lasting and as powerful as that of the United States of America. To a villager in Papua New Guinea, a taxi driver in Mumbai, or a hairdresser in Latvia, America stands for pretty much the same things.

Liberty has been the main idea behind Brand America since the dawn of the nation. The idea of freedom was especially potent during the 1940s, 50s and 60s, because for millions of people abroad, emerging from the shadow of fascism, communism or the nightmare of two world wars, the idea of a country where cowboys roamed free, went to bed when they wanted, drank coffee at all hours and never washed behind their ears, seemed like paradise.

The idea of a place where you can achieve great wealth without great exertion has been a fixation of mankind since the dawn of time, and the role of Eldorado for the modern world was a natural one for America.

Money and freedom. Or, if you look at it another way, free money: the oldest advertising ploy in the book. It's not really surprising that America has kept such a tight grip on the world's imagination for so long.

From the colonial days through to the Civil War, from cultural exchanges and covert operations during the Cold War, from the Voice of America to CNN, from World War I propaganda to the recent attempts of advertising heroine Charlotte Beers to influence Arab and world opinion over terrorism and Iraq, the efforts of America to orchestrate its national reputation have never stopped. Throughout its history, America has been conscious of its reputation – sometimes hyper-conscious – and has frequently had people on the payroll whose job descriptions sound remarkably like that of a Procter & Gamble brand manager.

It's a long and complex tale, featuring some odd events and still odder characters, but

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the story of how Brand America has been built since independence is truly heroic. And it must be said that this is a brand which has been managed – for the most part – with honour and integrity, or at least with the best intentions, as well as skill, inventiveness, vigour, consistency and passion, for a quarter of a millennium.

All the more pity, then, that the last few years have seen such a decline in the passion, consistency, vigour, inventiveness, skill, integrity and honour with which it has been managed.

Partly as a consequence of this, some new negative ideas have recently started to join the list of things that America stands for: America as bullying, polluting, domineering, imperialistic, ignorant, fat, selfish, inconsistent, arrogant, self-absorbed, greedy, hypocritical and meddling.

America's old promise of wealth and liberty, the goodwill which so many felt towards the country for what it was trying to achieve, and the selfless way it helped its allies in times of war as well as its enemies afterwards, made people want to forgive the occasional rough edges of America, its brands, its culture and its people. America's massive importance as a trading partner helped people overlook some of its behavioural problems too – they were part of its brand character and people even grew to love them.

But time marches on, and consumers change. The gratitude has faded as memories of world war have receded, the thrill of the original pop culture has diminished after decades of imitation in every country and

every language have worn the glamour off it, and goodwill has wasted away as America continues to interfere in other countries' affairs and flex its frighteningly well-developed military muscles.

We may have already passed the peak of Brand America's international appeal, and its right to brand leadership in almost every market sector. The relentless communication of American values and beliefs and lifestyle through the mass media has, of course, made foreigners very familiar with them. Hundreds of millions of people, after decades of intense bombardment by American culture through cinema, music, television and brands, are now (or believe themselves to be) experts on America.

And familiarity breeds contempt, or at least indifference: America is no longer a mysterious, idealised, magical land. People travel more than they used to because it's cheaper (thanks partly to the example set by American budget airlines), they have more leisure time (thanks partly to technology developed by American companies), and so more people than ever have been to America (thanks partly to promotions by the US Department of Tourism). It's almost as cheap and easy for European parents to take their children to Disney World in Orlando than to Euro Disney in Paris. America just doesn't feel so far away any more.

Of course, a decline in the equity of America's brand doesn't mean the end of its export business: but it does signal the end of the 'unfair advantage' which it once gave American companies. In the future, American brands will have to compete on

a more level playing-field – more on their own brand and product qualities and less on the lazy shorthand that they come from the right place. If Brand America slips far enough in people's esteem, there is a chance that American brands will one day have to work *harder* than others to downplay the negative associations of their country of origin. Or else, like so many brands from poor countries today, they might need to disguise their true country of origin.

In fact, in one area, it's already happening. A US survey by AcuPoll in August 2002 found that 68 per cent of people were less likely to trust *everyday* brands as a result of the unscrupulous actions of Enron and WorldCom, and that's *everyday* brands. The damage done is small but significant: for the first time in history, at least in a couple of business sectors, and at least for the moment, 'Made in America' is actually negative equity.

American industry finds itself all at once in a strange and hostile world. A world of consumers with money to spend, surrounded by good, attractive, well-branded products at sensible prices, more and more of which aren't American. It's a world where 'Made in America' is suddenly not the only offering, nor automatically the most exciting, nor the best: it's just one choice among many.

By contrast, Communism was a pale threat to America's brand leadership. The real challenger today is Capitalism: not America's military foes, but the disaffection of its consumers and the skill and determination of its competitors.

America, like all market leaders, is now facing the consequences of having fulfilled most of its ambitions. Its dominant market position is described as a monopoly; every action it takes in order to protect its commercial interests creates shrieks of protest; its (usually well-intentioned and occasionally bungled) attempts to live up to its responsibilities as sole superpower and maintain a bit of order around the planet are called empire-building; its confidence is called arrogance; its good acts described as hypocritical; and when it really does do something bad or wrong, all hell breaks loose.

America's mistakes are typical of market leaders too. There's a good deal of complacency, and a tendency to forget or undervalue the qualities and behaviours which built the brand in the first place. Some real arrogance, combined with a reluctance to get to grips with understanding the marketplace in depth and detail –

and this creates an inability to deal sensitively with friends, foes and customers. A certain amount of disorganisation and incoherence in the way America manages its own vast business (again, this is often the price of success in big organisations – consistent and well-coordinated group behaviour is necessary for getting to the top, but once you get there, it easily slips). And a lack of clear thinking – or at least clear communication of the thinking – about what happens next, and where it goes from here.

It's hard to behave like a challenger when nobody is challenging you, and it's difficult to keep getting better when you think you're already the best.

America needs to rediscover its brand instinct, and live by the principles which most American companies never forgot: clarity and firmness of purpose and of message; sensitivity to the needs of different audiences around the world; a simple and attractive positioning; transparent and ethical behaviour in the organisation as well as in the products; coordination between the stakeholders.

'Absolute power corrupts absolutely', goes the maxim, and considering how much power America wields it's pretty remarkable that it has wielded it with such restraint over the last century or so. But the Founding Fathers' fine resolution of 'peace, commerce, and honest friendship with all nations, entangling alliances with none' all too soon gave way to reluctant interventions in other people's disputes. This gradually gave way to some well-intentioned meddling; and over the last fifty years or so, circumstances have conspired to create a widespread feeling that the meddling isn't so well-intentioned any more.

Today, the consensus is growing that America throws its weight around – culturally, politically, economically and militarily. And the trouble is that once you start using coercion, persuasion stops working. Soft power can only be used when there is trust. Trade is a two-way process, and selling depends on consumers *allowing* themselves to be persuaded – they won't do that if they fear that you have, and are prepared to use, the alternative of coercion. They would rather concentrate on defending themselves from you than welcoming you in.

But there's an important difference between America standing at this crossroads and other powerful nations which have stood in similar places in the past. When the Roman, British, Ottoman, Mongol, Soviet and Greek empires reached crisis points in their

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histories, it's a safe bet that not many people – apart from their own citizens, of course – cared too much what became of them.

America has a *market* out there. It may sound trivial or maudlin, but America really did build an empire by making millions of people love it, by giving them wonderful dreams and unbelievable products and the greatest entertainment show on earth. In consequence, Brand America has a vast global consumer-base out there that, deep down inside, *cares what happens to it*.

In other words, the world wants Brand America back.

America, the first nation to make democracy and free trade the cornerstones of its national identity and national purpose, has always understood that brand is an inherently peaceful and humanistic model for international relations. It's based on competition, consumer choice and consumer power; and these concepts are very intimately linked to the freedom and power of the individual in a democracy. For this reason it's

far more likely to result in lasting world peace than a statecraft based on territory, economic power, ideologies, politics or religion.

Best of all, the brand approach offers America the ultimate prize, if it does things well: the chance to be top dog *and* be loved.

A superpower can't do this: a brand leader can.

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