

# Managing nations as brand entities; a focus on Kenya in relation to India

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## Abstract

World Book Dictionary defines “Nation” as a ‘sovereign state’ or ‘group of people, race or tribe having the same descent, language and origin.’ As of May 2008, United Nations had 192 Members excluding Vatican. Today, all these countries are struggling to position themselves as favorable destinations both for tourists and investors. For that they have to be packaged as ‘brands’ in the competitive global market arena. Although the concept of branding has existed since the early 18<sup>th</sup> century<sup>1</sup>, this has been majorly employed in the commercial world. According to Pickton and Broderick (2001) branding is a strategy to differentiate products and companies and to build economic value for both the consumer and the brand owner. In this context, branding can be defined as a marketing process of designing and executing a name, term, design, symbol, or any other features that identify the country and its offers from those of other countries. A nation as a brand is a combination of quality of its products, attractiveness of its culture, its tourism, opportunities for investment, its economic, and political and foreign policies. It is also said to be a country’s identity that has been proactively distilled, interpreted, internalized and projected internationally in order to gain international recognition and to construct a favorable national image. A country brand strategy therefore is a plan for defining the most realistic, most competitive and most compelling strategic vision for a country (Akotia, 2010). This paper reviews the various approaches employed by the two nations – Kenya and India in positioning themselves in the global perspective. A typology of the two brands is developed and suggestions on way forward are presented.

**Key words:** Brand, Nation, positioning, Kenya, India.

## Introduction

World Book Dictionary defines “Nation” as a ‘sovereign state’ or ‘group of people, race or tribe having the same descent, language and origin’ (UNCTAD ,2010) As of May 2008, United Nations had 192 Members excluding Vatican. Today, all these countries are struggling to position themselves as favorable destinations both for tourists and investors. For that they have to be packaged as ‘brands’ in the competitive global market arena. Although the concept of branding has existed since the early 18<sup>th</sup> century [1], this has been majorly employed in the commercial world. According to Pickton and Broderick (2001) branding is a strategy to differentiate products and companies and to build economic value for both the consumer and the brand owner. In this context, branding can be defined as a marketing process of designing and executing a name, term, design, symbol, or any other features that identify the country and its offers from those of other countries. A nation as a brand is a combination of quality of its products, attractiveness of its culture, its tourism, opportunities for investment, its economic, and political and foreign policies. It is also said to be a country’s identity that has been proactively distilled, interpreted, internalized and projected internationally in order to gain international recognition and to construct a favorable national image. A country brand strategy therefore is a plan for defining the most realistic, most competitive and most compelling strategic vision for the country (Akotia, 2010)

Country branding harmonizes national policies as varied as acts and policies of government, the values and behaviors of the citizenry, education, culture, sports, health, taxation, public diplomacy, look and feel of settlements, export and investment promotion, and infrastructure development. Indeed, it is the process whereby a country actively seeks to create a

unique and competitive identity and image such that it is easily and positively identifiable and distinct from the competition.

Countries world over are packaging themselves as 'brands' which can be effectively positioned in the target markets. Nation branding therefore is about recognition that image and reputation of a country as well as aggregate citizenship behavior are critical to a nation's strategic development (Akotia, 2010). Unlike in the commercial world, nation branding is not about spin, neither is it about propaganda. It is rather about proactive and consciousness husbandry of a nation's identity so as to enhance citizenship behaviors and nationhood internally and to compete favorably internationally. Anholt, (2007) a respected authority and consultant in the area of nation branding warns that whereas branding may generate some awareness both within and outside a country, it may not lead to a lasting image change. It must be accompanied by economic and political progress [2].

### Country building into Brand

The concept of nation branding is relatively a novel idea. Consequently, there is little literature on the same. The process calls for the involvement of all stakeholders if it has to succeed. Olins (ibid) a seven point country building plan points out the following as key elements:

- 1) Set up a working party made up of representatives of government, industry, the arts, education and media.
- 2) Carryout an image perception audit.
- 3) Engage consultations with opinion leaders.
- 4) Create a central idea or theme on which the strategy is based.
- 5) Develop a proper communication system to articulate the central idea visually.
- 6) Synchronize the message themes to suit particular audiences.
- 7) Create a liaison system through the working party to launch and sustain the program.

To sum up, while coming up with a nation branding positioning strategy, the policy makers have to focus on the six core elements as indicated in Anholt's Branding Hexagon. The areas (elements) include; Tourism, The people, Cultural and Heritage issues, Investment and Immigration policies, style and systems of Governance, and Export strategies. This implies that effective nation branding should effectively adopt a multi sectoral approach.

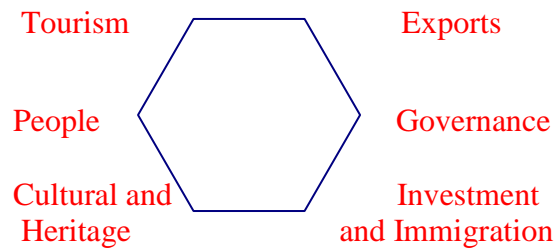


Fig. 2. Nation Branding Hexagon (Anholt 2005b)

### Rationale for Nation Branding

Previously nations have had no concern for their images especially in the external perspective. They engaged in superficial public relations exercises through the foreign missions and through selected media firms. Indeed every place has a history and unique heritage that will affect its image (kotler, 2002). However, as Sidhom, (2009) aptly puts it, that having a couple of words to describe a country brand alone ,would be like 'applying makeup, it may accentuate the beauty of a place but as the saying goes, beauty is only skin deep'. It goes therefore that nation branding goes beyond mere publicity. The importance of nation branding to an economy cannot be gain said. Frost, (2009) points out that the image we have of another country says a lot about how we view it as a tourist destination, place to invest or a source of consumer goods. Poor nation brand (or lack of it) denies a country Foreign Direct Investment, high tourist traffic, value addition to its exports because of country of origin benefits, and opportunity to host global events. For example Spain repositioned its nation brand after the Barcelona Olympics games. A country as a brand has the power to translate into a better perception of the country, increasing exports, inward tourism and foreign investment.

### Why India and Kenya?

Kenya and India share a lot in common. This dates back to the colonial era. Both countries were colonized by the British and hence are members of the commonwealth. They have had peaceful and steady governance although economically India supersedes Kenya by far. Both countries also are world tourist destinations. Majority of business people in Kenya are of Indian decent, among other

variables. In the last just concluded general elections, Dr Swarup Mishra, a Kenyan of Indian origin won the Kesses Constituency general election with an easy landslide victory. (Nation Media Group, Wednesday April 26 2017). In May 2016, the Indian Prime Minister THE Narendra Modi made his maiden visit to Africa and Kenya was key among them. The visit was reciprocated by THE Uhuru Kenyatta in January 2017 where key bilateral talks and agreements were signed. Kenya therefore can bench mark from India. While India has grown to be the Asian economic giant and Kenya is equally the East African economic power house, both countries have not fully operationalised the nation branding concept. This paper explores the little gains drawn from the initial phases of nation branding.

### **Branding Kenya**

Kenya is one of East African nations which is considered an economic power in the region. As an African country, it has not been spared the devastating effects of negative publicity (particularly by the western media) depicting the continent as war ravaged, famine ridden, perennially corrupt and AIDS pandemic zone among others (Helmeth, 2005). Kenya has indeed been struggling to transform from a one party state to a multi party state. In the recent past, Kenya has undergone radical transformation including the recently concluded national elections which were highly contestable and hence aggressive campaigns ever witnessed in the African continent. Notwithstanding the alarmist Western media which predicted violence and bloodshed, the whole process ended well awaiting a repeat election.

It is in the background above that in 2007, the government in partnership with the Private Sector Alliance (Kepsa) set up the so called 'Brand Kenya campaign'. The attempt did not yield much for lack of funding and proper coordination. In 2008, the coalition government came up a rebranding strategy by establishing a permanent board, Brand Kenya Board, comprising of nine members along with permanent secretaries of finance, information and Tourism ministries [3]. The new outfit was mandated to create and integrate national brand identify; instill pride in every Kenyan and restore international confidence in the country among investors, visitors, tourists and development partners.

### **Branding India:**

India is the 11<sup>th</sup> largest economy in the world. As per the 2009-10 estimates by the ministry of statistics and program implementation, the economy grew by 7.4 per cent over and above estimated 7.2 per cent [4]

. In the previous past India laid less emphasis on sprucing its global image. However, in the recent past, it has embarked on repackaging and positioning its brand as 'Incredible India' which is united in diversity. For instance in 2008 the government with Corporate sector under the aegis CII made an extensive campaign to the USA market successfully showcasing its potential and attracting many investment partnerships [5]. The recently concluded commonwealth games which had initial teething problems provided a golden opportunity for India to publicize itself globally. This was closely followed by President Obamas' visit in November 2010 and he affirmed that India has really woken up to be not just "an emerging power, but a real super power" [6].

### **Gains from Nation branding for both countries:**

This has realized promising results. In spite of slump in international capital markets, the Kenyan economy grew by 2.5 per cent in 2009. By end of 2010, the economic growth is projected to rise to 3.6 per cent [7]. Tourism which contributes immensely to Kenyan economic performance (11 percent of GDP) recorded a marked improvement. Statistics taken between January- August 2010 show tourist arrivals as 701,691 which is 14 percent increase from the 611674 realized in 2009. This generated revenue of about Ksh. 48.53 Billion. That was an improvement of 85 per cent as compared to 2009 and 43 percent as compared to 2007 for the same period [8]. As a result of branding India remains one of the most attractive investment destinations in the world. United Nations Conference on Trade and Development report on world investment 2009, ranked India as among the top five attractive destinations in the world [9].

According to Ernest and Young's report on 2010 European Attractiveness survey projected that India will be the second most attractive destinations after China in the next three years [10].

### **How has Kenya branded itself?**

Kenya has tried to spruce up its image locally by restructuring its administrative systems by creating a peaceful and investor friendly environment. Kenya is now positioning itself as the land of the ninth wonder- annual migration of wilder beasts to Tanzania. It also prides of the fact that it is the ancestral home of Barack Obama, former US President. It has also engaged international PR firms (e.g. Chlopak Leonard Schechter and Associates, a Washington based lobbying and PR firm [11]), global media houses like CNN international to carry

out global advertising campaign [12]. Kenya as a brand is “packaged” as an island of peace, a tourist haven with competitive rates and unique investment destination.

### Kenya and India Brand Index:

Simon Anholt developed the Nation Brands Index in 2005 as a way to measure the image and reputation of the world’s nations and to track their profiles as they rise or fall [3]. In 2008 he entered into partnership with GFK Roper Public Affairs and Media to offer the Anholt-Gfk Roper Nation Brands Index which is an expanded Nation Brand Index [4]. The index considers six constructs namely- exports, governance, culture, people, tourism, and immigration. From these variables an aggregate is calculated for each “brand” to arrive at a particular score.

**Table 1.1 OVERALL NATION BRAND INDEX FOR INDIA & KENYA**

2009 Order	2008 rank order	Nation Rank	2009 NBI <sup>SM</sup> Score
26	27	India	53.54
47	N/A	Kenya	45.79

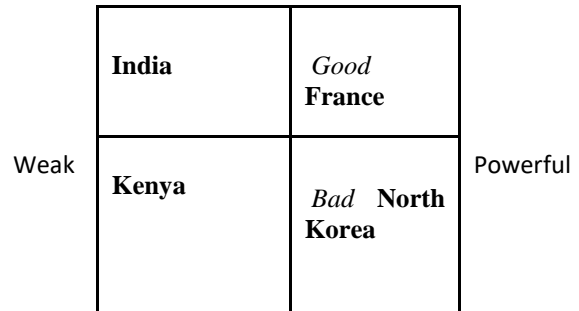
NBI<sup>SM</sup> scores range from 1-100;

\* Extracted from Anholt GFK report NBI<sup>SM</sup> 2009 Report.

From table 1.1 it is clear that Kenya was ranked at way low 47<sup>th</sup> position with a score of 45.79. That shows vividly that as a brand Kenya has not been positioned effectively. India improved from 27<sup>th</sup> position to 26<sup>th</sup> position with a score of 53.54 ((year, 2009). According to the Brand Finance Nation Brands Report 2016, India ranks 7<sup>th</sup> , while Kenya ranks 77<sup>th</sup> showing a great disparity. That shows that Kenya can bench mark from India a lot.[16]

### Typology of the two nations’ brands:

Nation brands can either be weak and bad, weak but good, powerful but bad, or powerful and good. In the case of the two countries, their positions are depicted in the matrix below.



**Fig1. Typology of nation brand positioning.**

From the matrix above France has a powerful and good brand because it is attached with strong positive sentiments (nice wine, good sceneries, democratic state). Conversely, North Korea has a powerful brand but a bad one because it has strong negative sentiments (e.g. war, poverty, nuclear arsenal) attached to it. India on the other hand has good sentiments (has a slogan- ‘incredible India’, unique Scenery and diverse culture) attached but is still a weak brand because of lack of sufficient publicity globally. Kenyan brand is very little known and the little known is about negative publicity. A strong brand can be built through proper poisoning and choice of appropriate slogans.

### Conclusion:

The two nations should invest more on nation branding by committing sufficient resources and establishing appropriate channels of communication. Equally prudent leadership with respect for human rights and suitable economic systems should be enhanced. Both must work on eradicating corruption (Transparency International 2016 ranks Kenya at position 145/176 while India at 76/176 [15] which scares away potential investors. Indeed Kenya can learn a lot from India and likewise India can also benchmark from other successfully branded countries like France.

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