

Branding South African Agriculture: Can National Branding Increase Competitiveness?



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Can national branding assist in improving the export competitiveness of a country's producers? When considering strategies to increase national exports, policymakers usually consider options such as promoting priority products, encouraging investment, improving information and communication technology, market research and promotion campaigns. Developing a national brand and managing it to increase export revenues, is usually furthest from their thoughts. Yet, interest in national branding has been persistent global trend.

A positive national image, particularly as far as priority economic sectors are concerned, can be an essential ingredient for export- as well as investment promotion. Then question then becomes: should government departments and companies within certain economic sectors invest in sectoral branding as part of an export promotion strategy?

Branding of a diverse sector such as agriculture represents a considerable investment. National sectoral branding consists of developing an image and communicating it, both domestically and abroad, based on a national sector's positive values and perceptions that are relevant to export development. The brand concepts, once researched, tested and defined, are then used as the basis of targeted promotional campaigns, when encouraging trade, tourism, inward investments as well as attracting human capital.

Sectors suited to national branding

Tourism, and eco-tourism in particular, are the obvious associations made with national branding. In this regard, "game farms in South Africa have already made strides in capitalising on South Africa's national brand". Tourism is a fast-growing business, and developing a national brand can be part of an effective strategy in managing national growth in tourism. National branding can be used successfully for other sectors, or a combination of them, as the case of "Scotland the Brand" shows. Some 350 member companies from 23 sectors adhere to a common branding initiative, and boost both visibility and sales as a result. Sectorial and firm-led branding can build on existing national branding efforts. In the case of Colombian coffee, the process was

Other branding has been perhaps less managed: Italian shoes, German cars, etc. In none of the country cases cited is the national "character" equivalent to the national branding. However, clusters of firms in a sector with comparative advantage can clearly tap into national 'characteristics' as branding elements to help promote sectoral exports from that country.

Case of South African Citrus

A microcosm of the advantages of successful branding, may be found in the experience of the Western Cape Citrus Producer's Forum.

The Western Cape Citrus Producers Forum (WCCPF) is a consortium of about 300 South African growers eligible to export summer citrus to the United States. WCCPF was established in 1999 to facilitate logistical, marketing and sales support coordination of their products.

The success of the lies therein that the South African sector was able to curb

resistance from local US producers, thus facilitating smoother and more favourable access for South African products. By promoting the quality and reliability of South African supply, and highlighting the advantages to the local industry if South African imports were to be accommodated, the sector has achieved sustained growth in a market where other South African exports have been struggling. Benefits of the campaign may be summarised as follows:

- Shipments of South African Summer Citrus have increased from 50 tons in 1999 to more than 40 000 tons shipped annually in 2013. Products include Navel, Midnight and Cara Cara oranges, clementines and grapefruit.
- Summer Citrus from South Africa expands more broadly across the United States each year and is available in virtually all grocery stores in the United States.
- South Africa is the second largest exporter of citrus in the world, producing 60 percent of all citrus grown in the Southern Hemisphere.
- Citrus from South Africa complements the US citrus industry because it is available when domestic product is not.

"Summer Citrus Campaign"

- The citrus orchards of South Africa have supported generations of farm families that continue to live, work and thrive on these farms. This long heritage of citrus production will continue to play a major role in the economic future and lives of successive generations.
- The vital Summer Citrus industry has created thousands of jobs in the US and employs more than 1,500 farmers and 130,000 workers in South Africa.

The core message of the campaign is displayed in an easily-digestible format on the Forum's website under the concise heading: why South African citrus? The question is answered as follows:

- From late June through the end of October, US consumers can find South African Summer Citrus at local supermarkets – a naturally refreshing treat throughout the summer and early fall.
- South African Citrus complements the US citrus industry because it is available when domestic product is not.
- US consumers insist on safe, high quality, natural food sources. Citrus from South Africa consistently exceeds stringent standards for growing, harvesting and shipping to deliver only the best quality citrus to foreign markets around the world.
- Each shipment of Summer Citrus undergoes rigorous inspection and is approved by the FDA prior to leaving the port of Cape Town, and again upon arrival in the United States. Computerized tracking can trace cartons directly to specific orchards in South Africa, assuring consumers of its reliable goodness.



- Transport can create challenges – South African Summer Citrus arrives fresh in the United States in refrigerated vessels. Advanced scientific cold sterilisation processes preserve freshness during shipping. The cold temperatures mean the fruit does not have to be chemically fumigated upon arrival in the United States.

Marketing your identity

The ITC Executive Forum has conducted extensive research on the topic of national and sectoral branding. According to their findings, two points stand out from the research papers, discussions and debate:

- First, the country must understand how it is perceived abroad. It must invest in researching external perceptions of their national traits and products within the sector to be branded. Otherwise the promotional campaigns will fall flat.
- Second, national characteristics selected for promotion must have a basis in business reality.
- The ITC has researched and compiled what it believes are cases of “best practice” in determining whether countries should consider brand development, and how they go about it. Managing an existing brand is equally challenging. Among the many case studies presented, Scotland the Brand is useful for its attention to sound research, quality assurance, financial sustainability, communications strategies and public-private partnership approach. But strategy-makers should be clear: “brands are not about smoke and mirrors. They are based on national values”. If exporters do not reflect these values, no promotion campaign will make a brand credible.

In an increasingly globalized world, with both information access and information overload, however, there is a benefit in harmonising messages and communicating them creatively to the right audiences. As branding expert Wally Olins remarked, “It is those who have yet to start who need branding most.”

Is national branding right for South African agriculture?

The experience of countries with successful national and sectoral brands suggests that there is a “best practice” way to decide on the relevance of national branding (or re-branding). This involves the following steps:

1. Confirm readiness

Will sectoral branding produce a competitive advantage? I.e. improve a country's overall export base? Which national values are relevant for products or services being exported? Are there sufficient companies and production capacity to justify the effort? Are benefits likely to be higher than costs in the long run?

2. Set up a working group

Include politicians, civil servants, industry representatives, media, educators and figures from sport and the arts. Decide whom you are trying to influence and confirm how these target groups perceive your nation. Start by identifying and defining your critical audiences, both internal and external.

3. Identify a core idea

Identify the internal and external perceptions/ images (positive, negative, neutral, none, etc.) of the country, and identify the discrepancies between the external and internal perceptions/images.

Then identify the positive values that could be associated with national branding of products and services. Trace some existing best practices/ models for national branding which could be useful to study further for inspiration and guidance.

A “core idea” should emerge, from which a branding programme can be developed. “Find out what you've got that makes you different, then create something around this. Sun, sea and sand are not a core idea, they represent commodities and there is no margin in commodities trading. Differentiation is more effective when it comes to food, architecture and culture.” advising branding guru Wally Olins Executive Forum.

4. Coordinate presentation of the core idea

Ensure that key public and private sector entities dealing with tourism, investment and export development convey the core message in their marketing programmes.

5. Differentiate the messages

Once the core idea has been developed, modulate it for each priority audience. Create a visual idea, which you can also put into words. The words should encapsulate what the concept stands for in different circumstances.

6. Manage the messages

Do not let the government run it. Create a structure that is going to be there when the government changes. Ensure that the brand is promoted among local audiences as an asset and protect its credibility through establishing and managing standards for usage.

7. Establish a long-term time frame

Sectoral branding is a long-term initiative. Timeframes ought to be construed across multiple decades, for example 20 years.

Main sources:

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