

THE NATURAL BEAUTY OF HOME-GROWN BRANDS



Singapore might be a tiny market by global standards but there are several brands which not only punch well above their weight but have defined Singapore in the eyes of the rest of the world. Here we look at four brands who looked beyond the island and managed to capture the imagination and market share of a much wider audience. How did they do it? Determination, finding a USP and amplifying it, but most of all finding a reason to grow. Some use exoticism, others transparency, yet others ground-up commitment to living, breathing and loving the brand. **Marcus Chhan** and **Cherisse Beh** find out how they did and how you too can grow your own.

SIA: SINGLE-MINDED, SERVICE-CENTRIC SUPER NOVA

Singapore Airlines

Born: 1972, out of the Malaysia-Singapore Airlines demerger.

Reach: There are few international hubs or routes that SIA does not fly now – 75% of the brand's business

comes from outside of the domestic market.

How they did it: Single-minded attention to service to make it the USP – service so focused it would make international travellers snub even their local carrier.



You wake from a deep sleep and struggle to make sense of your surroundings. To your left a teenager stares intently at a glowing box half a metre away from his face. On your right, what appears to be a large-sized male is resting on your shoulder. You feel like you're trapped, the almost claustrophobic surrounding walls and low ceiling only confirm your worst fears – and your belted restraints aren't helping. Then, a young lady walks past, smiling knowingly at you as she moves to wake the slumbering giant, appeasing him with a selection of gastronomic substances. A rush of ease starts to creep into your body as you realise, not where you are but who you're with. Singapore Airlines, "A Great Way To Fly".

Sure, it's corny. And it's not in the script of any SIA commercial actually made, but it illustrates the strong (and at times illogical) love for the brand and the Singapore Girl which SIA flyers have felt since the 1970s. So much has been written about the brand and so much has been said about the Singapore Girl, but it would be remiss of *Marketing* not to mention SIA in any investigation into successful home grown brands.

Admittedly, the airline has an advantage over other brands which are on their way to becoming strong regional and then global players. Local marketing budgets don't stretch to put most branding on a plane and having it fly around the world, while making stops at international hubs, but SIA wasn't born on a bed of roses either.

The brand came into being after Malaysia-Singapore Airlines ceased operations in 1972, six years after it formed. Malaysian Airline System came out of that divorce to seek its own domestic market, while Singapore Airlines, from the get-go, was eager to reach the main international hubs and connect Singapore with the rest of the world.

To differentiate the brand in the airline industry, which at the time was heavily regulated, SIA immediately went about setting itself apart from the pack in the areas of product and service. "We were told in the very earliest days we would have to go out and make a success of this ourselves. If we lost money and all this

didn't work, we couldn't come back to the government and ask for a handout. Lee Kuan Yew made this point and I think we all know he wasn't joking," Stephen Forshaw, VP of public affairs for Singapore Airlines, says.

The aim was to raise the airline's offering to a standard where international customers would pick SIA over their respective national carriers – around 75% of SIA's business now comes from outside Singapore. It was from those days, Forshaw says, the three pillars of the brand emerged: customer service, innovation, and building a global network. The third pillar has proven a huge factor in keeping a steady flow of revenue in trying times such as post-September 11, when SIA picked up extra

reason, and perhaps because in our growing up phase, we had become very comfortable with [Batey]. It was time to look at where we are going in the future. Almost all of the agencies which presented to us were quite united in two views – first, the Singapore Girl would remain as an icon, and second, we should keep the way in which the brand is positioned but evolve a little over time," Forshaw says.

True to the statement, SIA and TBWA have so far kept this consistency in marketing, albeit under criticism from some quarters which expected the new relationship to evolve the brand's marketing quicker.

"I think people who looked at TBWA's first execution and judged them – that was

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Stephen Forshaw, Singapore Airlines

business from its Australia route to make up for losses from Americans and Europeans not wanting to travel.

"If you split the world into five geographic regions, say Europe, US and the South Pacific as distinct regions, and split Asia down the middle and take West and South Asia as one, and North as the other, then you'll find each of those regions contribute about 20% of our sales revenue. If one those points start going through an economic downturn, we can start moving our resources around," Forshaw says.

And moving resources around is just what SIA did with its advertising account in April last year, when it shifted it from (incumbent of 34 years) Batey to TBWA. The news came after a tightly contested review during which intense speculation regarding the future of the Singapore Girl spilled over into mass media such as *The Straits Times*. "Frankly, I think people were reading far too much into it at the time. The reality is we probably should have been looking at the market more regularly but for whatever

nonsensical. It was their first print execution, and to judge them on that – what's the basis? Agencies are great in being very critical of each other. We were quite prepared for what we were going into and the market shouldn't be too surprised when we [review] on a more regular basis now," Forshaw says.

In the years to come SIA's marketing is expected to evolve strategically with TBWA while continuing to position itself as a high quality premium product. Similarly, the airline will also continue to adopt a decentralised approach to communicating in the market, given the different nature in which the brand operates here as opposed to offshore.

"We're a global corporation but our roots are also firmly planted here and Singapore will always be home and you look after home in a slightly different way to the rest of the world," Forshaw says.

In the hard-hit category SIA is hoping its hometown heritage but global vision based on service will hold the day.



HOW THE TIGER HOPPED TO IT

Tiger Beer

Born: 1932

Reach: Tiger Beer is distributed in 60+ countries.

How they did it: Separate strategies

Drinking beer. It's about as Uniquely Singaporean as eating bangers and mash or burgers and fries. There isn't what you could call a drinking culture present here as compared to Britain and, much closer to home, Australia. Yet this tiny island (which was once described by Sir Winston Leonard Spencer Churchill as the "worst disaster" in British military history when it fell to the Japanese in 1942) is home to one of the world's most recognisable and most consumed beer brands.

The name Tiger doesn't tie them down to a particular country like it does with Kirin or Tsingtao. Tiger is an Asian animal and doesn't say 'this is from Singapore only'.

Jacky Tai, StrategiCom

First brewed a decade prior to when those famous, if somewhat melodramatic words were uttered by Churchill, the brand has since truly outgrown the tag of "home-grown" and has moved to the upper echelons

for the domestic and international markets, pushing an award-winning branding platform for the local market and an exoticism for the international market.

of Asian brands which have become global. Beer may not be uniquely Singaporean but Tiger Beer certainly is.

So how has Tiger stared down rival brands in a sector which is notoriously competitive? Edmond Neo, general manager, group commercial, Asia Pacific Breweries says, "To ensure success, Tiger has kept delivering its distinct quality taste while persistent efforts were made to keep raising the brand equity and profile of the brand, further extending its

distribution in the markets where the brand is available as well as enhancing its global footprint".

It's true that a large part of Tiger's success can be traced back to consistent and

sustained marketing efforts over the years. Through these communication campaigns the brand has evolved and developed distinct positioning in Asia and in the West. In Asia, the beer has been positioned, over time, as an award-winning product – something world-class. But in the West, which is home to many an award-winning beer, the positioning is slightly different and more exotic, mystical and Asian.

Jacky Tai, principal consultant at B2B brand strategy consulting firm StrategiCom and author of *Great Asian Brands – Tiger Beer. Distinctly Asian, Unmistakably World Class*, says Tiger Beer really had no choice but to go premium in markets like the UK. "In Asia, an Asian beer brand has no credibility so they needed external validation. So what Tiger has done from day one is participate in international beer competitions in Europe, and in America, with the goal to win awards. Once they win awards and the external validation is there, they can say Tiger Beer is a beer for winners. But in the West they can't adopt this kind of strategy because there are a lot of Western beers that have won more awards and have a longer heritage," he says.

If you consider being Asian in Asia as boring, "like eating rice," Tai says, you'll see why Tiger has opted for two different branding strategies. If being Asian in the UK, which is a very successful market for Tiger, isn't boring but instead sexy and exciting – APB has picked the right name for the beer because as Tai explains, "The name Tiger doesn't tie them down to a particular country like it does with Kirin or Tsingtao. Tiger is an Asian animal and doesn't say 'this is from Singapore only'." Just ask the fans of American baseball team, The Detroit Tigers, who took strongly to the beer in its hopeful march towards World Series glory. It wasn't just the similar name – the Detroit Tigers' colours matched the beer's label of a tiger against an orange and blue background.

Back home, Tiger Beer's regional and local advertising accounts are currently being serviced by Saatchi & Saatchi Malaysia and Saatchi & Saatchi Singapore respectively. Saatchi Singapore won the chance to work on the brand following BBH's decision to re-

sign the account in 2007 after only a month into the job.

Tai feels it is significant Saatchi is handling Tiger both on a regional and local level. He said since 2000, "inconsistencies had started to creep into regional Tiger Beer marketing". In particular, he felt "Tiger Beer dropped the Jessica Alba campaigns because the consumers didn't really like it. They didn't get it". APB's Neo was non-committal on the subject and would only say, "Tiger Beer is constantly reinventing itself while staying true to its dedication of brewing a beer of unparalleled quality. While the concept and execution of Tiger's communications campaigns may vary from time to time, the underlining objective has always been to reinforce Tiger's premium status".



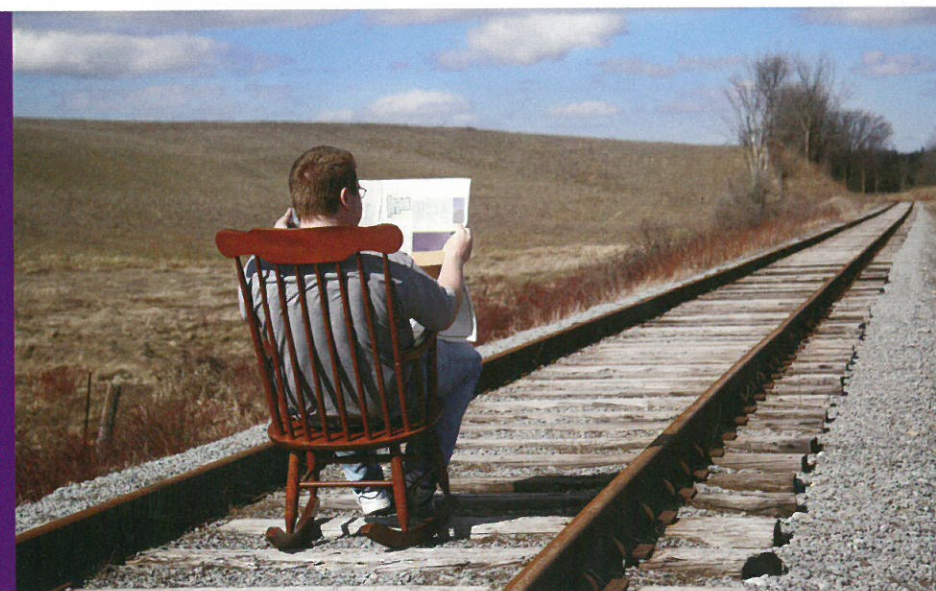
A FRONT SEAT TO HEALTH

Osim

Born: 1980, originally as R. Sim Trading.

Reach: 1,100 outlets in more than 360 cities over 31 countries in Asia, Oceania, Africa, the Middle East, Europe and North America.

How they did it: Stay close to customers so innovation is relevant, bring synergistic healthy lifestyle brands into the tent through acquisition, let franchisees grow the brand faster, get staff to live the brand and be the ambassadors.



Ron Sim's first entrepreneurial move saw him trading kitchen appliances and household gadgets through his registered start-up R. Sim Trading. Through sheer hard work he managed to grow his trading business but 1985 saw fortune's wheel turn – a recession-hit Singapore severely affected Sim's business.

The downturn drove him to a change of strategy, and he decided to become a builder rather than a trader. Today, he continues to reap the benefits of the decision he made 23 years ago. His company's revenue has increased twentyfold from \$31.4m in 1995 to \$622.9 million in 2006.

Sim began building a brand from scratch, with a focus on lifestyle products aimed at promoting health. In just a year he started subsidiaries in Hong Kong (1986) and Taiwan (1987) followed by Indonesia, Malaysia and China.

R. Sim Trading was a mouthful and Sim wasn't strictly a trader anymore, so he decided to re-register the company as Osim – a two-syllable moniker that he felt was both simple

brand was launched; three years later, Osim unveiled its refreshed spruced-up 3D logo, which is still in use today.

Osim adopted a franchise model in 2000

Branding is not just about advertising platforms. To maintain our relevance to customers, we keep close tabs on them so our R&D team can design and develop innovative products that people will want and need.

Alan Tan, Osim International

and meaningful. "O" to symbolise the world and "Sim" for his surname. His vision and single-minded focus was in building the brand through product quality, innovation, staff training and motivation.

When Osim went public in 2000, a two-dimensional corporate logo created with Inter-

and opened its first franchisee-owned concept store in Dubai, United Arab Emirates. Today – with over 1,100 outlets in more than 360 cities throughout 31 countries in Asia, Oceania, Africa, the Middle East, Europe and North America – Osim is taking on the world.

A recent market survey by Synovate in

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key cities across six Asian countries — China, Hong Kong, Taiwan, Malaysia, Indonesia and Singapore — revealed Osim's position as the number one healthy lifestyle products brand in consumers' minds (39% of respondents). It also ranked first in spontaneous top of mind and "most preferred brand" of massage chair in the study (43%).

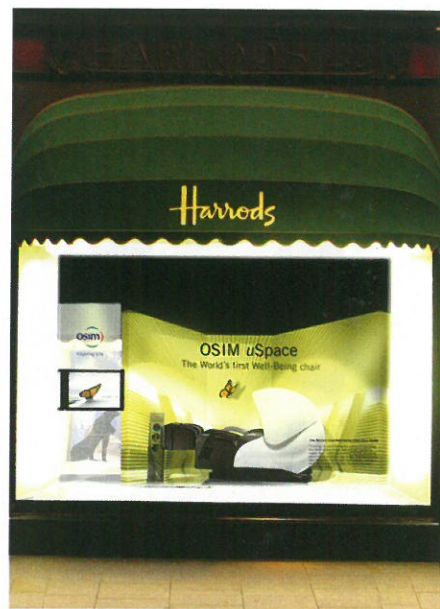
"Consistent branding has helped build it as the leading name in healthy lifestyle products across Asia, and is beginning to impact new markets globally — Europe, the US, Middle East, India, Australia and New Zealand," Osim International's head of branding and strategic marketing, Alan Tan, said. Tan has been with the company since 2003 and told *Marketing* the next two markets Osim is intending to take on are Eastern Europe and Latin America.

Franchise partners are a critical part of Osim's growth and branding strategy so selection of new franchise partners is never taken lightly. Tan says the company looks for partners with existing expertise in the distribution retail business who can help stretch the brand into important growth markets.

"Asia is still a stronghold for Osim. The brand is growing and the times are exciting for us especially in our China subsidiaries and our franchise outlet in India," he says.

"Healthcare and healthy lifestyle products are no longer seen as luxury goods but rather a necessity as society trends [move] to a more sophisticated and health-conscious lifestyle," Sim wrote in the annual report in 2000, the year the company listed.

Osim has kept its focus on four comple-



mentary areas — health, hygiene, fitness and nutrition. The company's acquisition of Global Active, the GNC franchisee in Asia, contributes to the nutrition part of its focus. Osim's portfolio also includes a majority stake in US specialist retailer Brookstone, its gateway into the US market.

While different approaches are used to reach specific target audiences, Osim's branding strategy is consistent — to be a premium brand and achieve leadership positioning in the health products industry. Product innovation, creative marketing strategies and close customer relationships are the cornerstones of Osim's success. The company was the first

in its industry to use celebrity endorsements, featuring the likes of local star Fiona Xie and Taiwanese celebrity Chang Chi-ling.

But nothing speaks better to consumers than products which fulfill their needs.

"Branding is not just about advertising platforms. To maintain our relevance to customers, we keep close tabs on them so our R&D team can design and develop innovative products that people will want and need," Tan says.

The most important lesson Tan has learned in his years with Osim is to "walk the talk". "We not only preach a philosophy of healthy living, but also practise it in our work and private lives. Like Sim, I participate in the Osim Triathlon, and I also swim almost daily, and maintain a healthy diet. There is no excuse not to stay fit and healthy, with fully equipped sports and recreational facilities like a 30-metre swimming pool, tennis courts, gym and even a room of massage chairs," Tan says.

A goal Osim set in its first annual report is to be a \$1 billion company by 2008. However, its 2006 financial report posted revenues of \$623 million — a long way from the seven-figure target.

With all the uncertainty in the global economy, Osim has been tightening the belt. It has closed over 30 stores in Asia, and has postponed IPO plans for its US subsidiary Brookstone.

Perhaps with the 2007 figures in place and better results for the rest of 2008, Sim can move closer to realizing his dream.

BREAD TALKS WALKS THE WALK

BreadTalk

Born: 2000

Reach: All throughout Asia and in such unlikely locations as Kuwait and Bahrain.

How they did it: By laying bare the inner workings of the operation, the company has its own grassroots marketing strategy, opening the often-private kitchen to curious consumers, who are in turn enticed to enjoy the end product. Bread talk was doing sensory marketing well before it became the latest buzz maker.



Like the best food stories in Singapore, this one starts out on the streets.

George Quek made a living in his mid-20s as a street craftsman honing his beard-making skills (you read it right, beard not bread) selling "Dragon's Beard Candy" on Taiwan's streets.

He made a name for himself touting Singapore's delicacies, eventually opening over 20 stores in Taiwan alone. At 36, he relocated back to Singapore to helm "Food-Junction" for seven years as its MD, playing an integral part in developing the food court culture in Singapore. Quek also aided in developing Megabite, a Singaporean-invested food court, established in 1997 at the Westgate Mall in Shanghai.

In 2000, fresh from the "Food Junction" experience, Quek started his first BreadTalk store at Bugis Junction. In three years it was listed on the Singapore stock exchange.

Deliberately transparent to assail the senses, the outlet was designed bright, white and with an open-concept kitchen — inviting shop-



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