Every year Chinese consumers are exposed to increasing numbers of brands in all sorts of categories. Chinese consumers who focus predominantly on price during the purchase fell from 39% in 2008 to 31% in 2012. Increasing numbers of consumers are becoming repertoire buyers, tending to choose from a wider set of brands. This proportion rose from 51% in 2008 to 64% in 2012. At the same time, consumer brand loyalty also significantly declined from 11% in 2008 to 6% in 2012, (Chart 1). It is apparent that although price is becoming less important to Chinese consumers, brand loyalty is also increasingly difficult to build as repertoire buying becomes the norm in an increasingly cluttered market.

These trends indicate the importance of ensuring we are building meaningfully different brands – purely functional, physical attributes are easily copied and mass produced for sale along-side the original, rapidly eroding first-mover advantage.

One of the important keys to survival and success in such an environment is to invest in brand building by imbuing brands with an emotion laden personality consumers can relate to – and one that is meaningfully different from that of the competitive offerings.
In the carbonated soft drinks category in China, Coke’s brand personality stands out on ‘Fun’, ‘Assertive’ and ‘Creative’, while Pepsi is perceived more as ‘Playful, ‘Adventurous’ and ‘Rebellious’. Chinese brand KangShifu is different again, standing out on ‘Trustworthy’, ‘Friendly’ and ‘Kind’. Driving consumption, or consumer appeal, can be achieved via a variety of different routes, and all three brands are able to find their particular space to play in the China market, (Chart 2).

A brand personality helps a brand take on human characteristics, some which may be actively influenced by marketers and in many ways, also co-created with consumers. Brand personalities are created from a combination of emotional elements, which may be influenced by the brand’s functional characteristics. Analysis from BrandZ shows a distinctive brand personality, or character, is more likely to increase brand appeal and create more brand advocates.

A brand personality can be shaped into a unique identity which can play a key role in developing deeper levels of brand difference via emotional response. Once category drivers and brand white space have been mapped, a new brand or a brand entering a new market may wish to evaluate the personalities of other brands within a certain category in order to find a compelling personality for their brand.

Data Source: MillwardBrown BrandZ

Chart 2: Soft Drink Category Brand Personality
In another example for the skin care category, Olay has a brand personality associated with ‘Trustworthy’, ‘Wise’ and ‘Caring’, L’Oréal is more ‘Straightforward’ and ‘Idealistic’, while Aupres is regarded as ‘Different’, ‘Creative’ and ‘Brave’. Each has found their unique personality niche in the minds of Chinese consumers.

A distinct personality not only helps a brand to stand out from the competition and build a closer relationship with consumers, it is also one of the important factors to help a brand’s equity to grow. The recently published 2013 Top 100 BrandZ results show that all of the top risers this year have distinct personalities. Zara, which made significant progress this year, increasing brand value by 60%, is seen by Chinese consumers as a ‘Dreamer’ which embodies personality characteristics such as ‘Creative’, ‘Different’ and ‘Caring’. Nivea has a clear personality in China as being ‘Trustworthy’, ‘Desirable’ and ‘Wise’, with a brand value rise of 36% compared to 2012 data.
For instance, the BrandZ database identifies characteristics of ‘Trustworthy’, ‘Wise’ and ‘Desirable’ as common traits of strong brands in China. This is a unique situation for brand personalities as the same set of attributes would be unlikely to be at the top of the list in other countries, such as the US, UK or Japan.

Top brands in the UK stand out on ‘Assertive’, while in the USA top brands are considered more ‘adventurous’ and over in Japan, leading brands are seen as ‘Idealistic’ as well as being ‘Assertive’, (Chart 3).

The benefits of understanding these cultural nuances are clear – for example, a multinational brand struggling to fit into Chinese consumer society can look to the personality attributes which are more desirable and work to reflect aspects of this personality in the brand’s communications. Crest is a US dental care brand which has done this very well in China. In the US, Crest has a strong, sexy brand personality, while in China, its position is communicated more towards China-favoured attributes such as ‘Trustworthy’, ‘Desirable’ and ‘Wise’.

Data Source: MillwardBrown BrandZ

Chart 3: Strong Brand Personality in Different Countries (2008-2012)

<table>
<thead>
<tr>
<th>Personalities associated with strong brands in different countries</th>
<th>2008-2012 (TOP5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHINA</td>
<td>USA</td>
</tr>
<tr>
<td>Trustworthy</td>
<td>Sexy</td>
</tr>
<tr>
<td>Wise</td>
<td>Desirable</td>
</tr>
<tr>
<td>Arrogant</td>
<td>Creative</td>
</tr>
<tr>
<td>Desirable</td>
<td>Arrogant</td>
</tr>
<tr>
<td>Adventurous</td>
<td>Adventurous</td>
</tr>
</tbody>
</table>
Chinese brands in their home market have similar levels of brand equity to multinational brands, although for very different reasons. Multinational brands tend to be more balanced as a group on elements important to building brand equity, such as being different, being a leader in their field and having strong personality associations which resonate on an emotional level. Chinese brands are broadly not as strong in these areas, but rather stand out on fame and in particular, price, (Chart 4). This reality means Chinese brands have a greater challenge in building an emotional sense of closeness, or bonding with consumers, and makes it harder for Chinese brands to charge a premium or to build long term relationships.

Chart 4: Chinese Brands and Multinational Brands Strength

<table>
<thead>
<tr>
<th>Six reasons why people might bond with a brand</th>
<th>Chinese brands</th>
<th>Multinational brands in China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Better Price</td>
<td>↑↑</td>
<td>↓↓</td>
</tr>
<tr>
<td>Fame</td>
<td>↑</td>
<td>=</td>
</tr>
<tr>
<td>Better Product/Service</td>
<td>==</td>
<td>==</td>
</tr>
<tr>
<td>Popular</td>
<td>==</td>
<td>==</td>
</tr>
<tr>
<td>Emotional Affinity</td>
<td>↓</td>
<td>↑</td>
</tr>
<tr>
<td>Different</td>
<td>↓↓</td>
<td>↑↑</td>
</tr>
</tbody>
</table>

Index average=100

Data Source: MillwardBrown BrandZ

Personal care as a category appears to be one of the first mover categories of Chinese brands making real efforts to differentiate their brand personality on emotional attributes. Taking Inoherb as an example, the company has invested in television and online advertising, building emotional aspects around a strong core functional framework of Chinese Traditional Medicine. The consistency around the brand image of nature and purity shines through right down to the colors and quality of the packaging.
While Traditional Chinese Medicine is a functional element of the brand mix which brands like Inoherb are successfully linking with emotional elements such as caring and purity, there are other personality characteristics that stand out in Chinese brands in China as a group which can be leveraged to a brand’s advantage with the appropriate amount of care and consideration to the overall strategy.

For instance, analysis of the Brand Z database reveals significant differences in personalities among Chinese brands compared to multinational brands on attributes such as innocent, kind and friendly. Chinese brands over index on these attributes, while multinational brands under index on them in China, (Chart 5). In multinational brand dominated categories where a local Chinese brand is competing, a Chinese brand may wish to leverage these positive personality attributes in their positioning to build brand appeal.

Red Baby, a local Chinese online store which focuses on products for mums and babies, is another good example of using culturally appealing personality characteristics to help build appeal for the brand in their category. With China’s one-child-policy, it is natural that parents are not willing to compromise on the quality of the products they buy for their child. Red Baby has differentiated itself from other competitors in the category such as Taobao, Amazon.com and DangDang.com by refusing to stock counterfeit goods (a major problem in China), providing telephone customer service and support and ensuring delivery times are firmly adhered to. This has led to Red Baby being number three on ‘kind’ and number two on ‘friendly’ in the China market.

**Chart 5: Chinese Brands and Non-Chinese Brands Personality (2010-2012)**

Data Source: MillwardBrown BrandZ
Leveraging appealing ‘Country of Origin’ personality traits can be a powerful foundation for building a meaningfully differentiated brand image.

A theory called ‘Country of Origin Moderation Effect’ affirms that ‘The COO image is proposed to exert a positive moderating effect in the relationship between brand personality and purchase intention. Brands that not only have positive personalities, but are also supported by a positive COO image, are more likely to achieve higher purchase intention.’

A great example of brands effectively leveraging ‘Country of Origin’ positive associations are some New Zealand infant milk formula brands in China such as NU-GENE which adds ‘New Zealand’ on top of the brand logo on its package to highlight its origin. New Zealand has built a very strong image of ‘Healthy’, ‘Clean’ and ‘Unpolluted’ which New Zealand milk brands are taking full advantage of in China as the safer and therefore much better alternative to other countries infant milk formula brands.

Previous academic research has validated that ‘Country-of-Origin’ (COO) image plays a significant role in consumers’ perceptions toward products and brands from a given country. When Chinese consumers are asked about the personality traits of different countries, some interesting findings come to light. USA is considered as ‘Rebellious’, ‘Fashionable’ and ‘In control’, while Germany is perceived as ‘Creative’, ‘Trustworthy’ and ‘Responsible’. UK is seen as ‘Elegant’, ‘Traditional’, and ‘Fashionable’, while New Zealand is described as ‘Relaxed’, ‘Peaceful’ and ‘Healthy’, (Chart 6).

**Chart 6: Country Personality**

Data Source: MillwardBrown CelebrityZ 2013

Leveraging appealing ‘Country of Origin’ personality traits can a powerful foundation for building a meaningfully differentiated brand image.
As brand competition in China intensifies, one important key to survival and success is to invest in brand building by imbuing brands with an emotion laden personality consumers can relate to – and one that is meaningfully different from that of the competitive offerings.

A brand personality can be shaped into a unique identity which can play a key role in developing deeper levels of brand difference via emotional response. Once category drivers and brand white space have been mapped, a new brand or a brand entering a new market should evaluate the personalities of all other key brands in the category in order to find a compelling and unique personality for their brand.

Armed with the additional knowledge of a brand’s intrinsic cultural perceptions and Country of Origin associations can help in formulating a holistic strategy that plays to these strengths while carefully negating any perceived weaknesses.

End Note:

- Erik du Plessis, The branded mind: What Neuroscience Really Tells Us about the Puzzle of the Brain and the Brand
- Graham Stapleurst and Suthapa Charoenwongse, Why brand personality matters, Millwadbrown POV