

Chinese Brands Need A ‘Champion,’ Says Marketing Strategist Denise Lee Yohn

by Bobby McGill
Contributing Writer
CMO.com

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Denise Lee Yohn is eloquent about the art of branding.

With more than 25 years of experience as lead strategist for brands including Burger King, Frito Lay, Land Rover, and Sony, Yohn certainly brings a wealth of knowledge to the table. In 2014 she distilled this experience into her highly acclaimed book “[What Great Brands Do](#),” which Inc. magazine included in its annual list of the Top 10 Marketing Books.

As a follow-up, Yohn released “[Extraordinary Experiences: What Great Retail and Restaurant Brands Do](#)” in late 2015. In this book she narrowed her focus to a pair of industries that are exploding with consumer options, both online and off, as companies struggle to establish and maintain relevance.

CMO.com recently visited Yohn at her office for an in-depth conversation about, you guessed it, branding.

CMO.com: After researching hundreds of successful—and not so successful—brands, can you tell us what makes a brand great?

Yohn: Typically, when people talk about branding, they tend to think about externals. They see communications and image building. What does our logo look like? What is our tagline? What is our look and feel? And, maybe, website or PR. Those things are important expressions of your brand, but the work I do with my clients, and the research that I’ve done on great brands, shows that brand building really starts with an internal emphasis on what it is that you stand for and how you want to run your business—and from there you can think about how you want to express it. But brand building is much more about your culture, about your company operations, and about your customer experience, and then it’s about communication.



CMO.com: In your experience, are businesses taking up these practices?

Yohn: It varies quite a bit. The more sophisticated, more established brands do brand building in this way. That’s where I came up with the title of my [first] book and the thesis of what great brands do, but there are a lot of maybe less experienced, less educated folks, and, particularly, I would say, in markets outside of the United States or Western markets, they tend to think about branding more as those symbols of their brand as opposed to defining the brand as what they do and how they do it. It varies a lot.

CMO.com: Is there a branding blueprint that can be applied across different cultures?

Yohn: Totally. It’s a business strategy and a management approach, so to whatever extent certain strategies and management approaches are universal, then yes. Obviously, when you actually go to implement and execute them, you need to be aware of how to apply it to your specific cultural context. Whether it’s Samsung or Starbucks, you build the brand by first defining it internally and then expressing it externally.

CMO.com: Turning to Asia, a survey by Innocean last year found that Chinese companies are doing very well in Europe, despite low brand recognition. Are Asian companies becoming smarter about branding? Are they gearing up for more brand building?

Yohn: I would say, generally, yes. If you look at the larger, more established Asian companies, you have Samsung, Lenovo, etc.—they are very savvy about building their brands, and they’ve done a very good job, at least to the extent that I can see in the U.S. market. They’re winning over American customers and stealing share from U.S.-based brands.

At the same time, it was interesting; I saw that Huawei was the number 88 brand in the Interbrand global brands ranking in 2015. It might have been the only Chinese brand in the top 100, but to me at least that showed people were starting to pay attention to what Asian brands are doing.

I’m very interested in how the leaders of Asian companies view their brands, how they view their businesses, and how they’re growing them. I’m very interested in both Jack Ma at [Chinese online retail giant] Alibaba and Pony Ma at [Chinese media, entertainment, Internet and phone services provider] Tencent. Both are very interesting, charismatic, visionary leaders. While they might not think about their brands in the way that I just defined them, they’re going about building their companies, following these practices of really trying to carve out a very distinct value proposition, building on that, expanding that, and making more and more important connections with their customers.

CMO.com: Speaking of Lenovo, they bought the IBM name more than a decade ago, and here we have Haier recently doing a deal with GE. It seems to have worked for Lenovo, but can companies buy into a brand? How does that work?

Yohn: The Lenovo-IBM transition actually went much better than I thought it would. When I first heard about it, I was like, “Oh my gosh, you gotta be kidding me!” But Lenovo was very savvy about coming up with well-designed new products; really, the features and functionalities were so compelling that they were able to integrate all of the technology and innovation of IBM and graft that onto their brand. I think they’ve done an excellent job.

CMO.com: How about the Haier-GE move?

Yohn: Frankly, I’m skeptical. Maybe I should learn from my skepticism of Lenovo, but I haven’t been that impressed with how [Haier has] established their brand, at least in the U.S. They’ve gone in fits and starts and maybe had some interesting advertising ideas, but then they haven’t backed it up with product. I’m not sure that they have what it takes to build this great brand, but they do have all this technology and innovation from GE. Maybe we will be pleasantly surprised.

When it comes to Chinese brands, specifically, I feel like there needs to be a champion for China and Chinese brands the way that Sony was a champion for Japan and Japanese brands in the post-war era. There are still some questions about the quality of Chinese brands, and also the cool factor and design of Chinese brands.

The most effective way to address those concerns is to have a really strong brand come out and create this rising tide that lifts all boats and says, “This is what China is capable of in terms of a brand.” Then all these other brands follow suit. I really would like to see that. I don’t know if we’ve seen that yet from a Chinese brand.

CMO.com: It’s well known that most emerging Asian brands have made their names for having a low price point. How do they shift away from this perception?

Yohn: It’s really difficult when you have this low price point attached to your brand, then move up market. It’s always much easier to move down market, right? I almost feel like some of these firms need to consider a brand architecture strategy where they introduce a different brand that is owned, operated, and developed by the same company but that actually stakes out a higher position, like [electronics company] Xiaomi—we’ll see whether they can break the barrier with that. They’re working on their Mi5 phone and really trying to push that as moving upscale. We’ll see whether that works, but, generally, it’s very difficult. It’s more effective to start an entirely new brand that enters the space at the level that you want to be at rather than try to move into it.

CMO.com: What advice would you give to Western brands trying to penetrate markets such as Japan and South Korea, where local brands, such as Toyota and Samsung, already have a strong following?

Yohn: There’s the most obvious and most important advice, which is that you really need to understand the culture, you really need to understand the people, the consumers, what their values are, what their attitudes are, and make sure that you are speaking to them in ways that are not just sensitive to their unique cultural needs, but that are really relevant, really resonate with these cultural values.

There is something to pushing, as an American brand, the attributes that people associate with America, maybe being more iconic, maybe being cooler, maybe being—I wouldn’t say necessarily more innovative, but innovating more in the user experience versus the technology—and really leaning into those attributes that seem to be associated with America, in general, and leveraging those as part of their brand platform.