

Forging an identity

The world is in flux at this point of time and there is an opportunity for companies to step up and build strong global brands.

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There are lots of things happening right now but essentially there are opportunities for those leaders who decide to move ahead and build a global presence.

Much has been said about the reach of the internet and more importantly its power to disrupt existing processes and procedures. But it is clear that the internet can also be a great facilitator for companies. By giving companies the reach and tools to better serve their customers, the internet has ushered in an era of competition that allows both companies and customers to reap benefits in the long run. As such, companies will benefit greatly if they choose to fine-tune their processes and procedures so that they can not only respond to the ongoing changes caused by the internet but also initiate changes that would be beneficial to their customers.

Technology and innovation are important parameters but not the reason companies are successful. They are means to an end, not the end. Basically, technology and innovation are disciplines that can be mastered and managed. Vietnamese companies should build their capabilities in those fields through collaboration with some of the best players in the fields. It is about building and fostering partnerships and strong ties across networks.

I am not very familiar with Vietnamese brands as most of my clients are based across Asia and globally. I have had lots of interest from Vietnamese CEOs to help them expand and build their global brands, so I expect to become more familiar with Vietnamese brands in the coming years. I would definitely welcome more Vietnamese

companies to build and expand their brands on a global level.

Vietnam has huge opportunities for building brands and taking them regionally and globally. The question about brand building is not about capital but about the right mindset among owners and CEOs. Only then will the true potential be unleashed. Being family-owned or closely-held is actually a great advantage, as the business can take a more long-term approach to value creation and make sure the brand is built by the playbook instead of doing something superficial without significant impact. It is important for Vietnamese family enterprises as well as State-owned enterprises to step up to this challenge and move up the value curve to prepare themselves for the future.

When I think of what smaller brands - like those of most Vietnamese small and medium-sized enterprises (SMEs) - must do to improve their brands in the domestic market and further build up their brands outside of Vietnam, I seek always to inspire my clients to be the "most admired"; they must be in a class by themselves rather than necessarily being the largest. This involves a number of parameters that are rarely put into use because of the usual short-term, one-sided focus on increased volumes. This is where I normally challenge my clients. One of my key questions is: What is your purpose? I challenge my clients to think about what they deeply believe they are best at, what values they stand for, and what they actually provide to their customers, and more broadly what they provide to the world around them. If you are driven by a strong purpose and actually meet expectations all the time, then you have a strong chance of becoming an "admired" company. But it is not a position that comes easily. It

requires full attention and hard work over a long period of time and attention to every detail. LEGO's turnaround is a good example.

Many companies from emerging economies have traditionally focused on asset-intensive industries. But it has been demonstrated that the most profitable emerging market companies focus on intangibles such as human capital, exploiting network effects, and creating synergies based on brands or reputation, rather than investing in tangible assets.

Asian boardrooms have traditionally been the playing fields for technology and finance professionals and most directors either have technology, operations, or finance backgrounds. Going ahead, these capabilities alone will not be sufficient for sustained growth and enhanced shareholder value. With branding taking centre stage, it is crucial that the boardroom represents brand capabilities and experience to ensure that brand guardianship is practiced at the highest level.

Firstly, education and training of directors can bring them up to a common understanding of the discipline and its opportunities and challenges. Secondly, the company can elevate people with strong marketing and branding backgrounds to the board. Asian brands can indeed challenge global players, but it requires a new

mindset, resources, and capabilities.

Some Asian brands are becoming successful well beyond Asia. But with two-thirds of the global population, growing economies, and a rapidly growing middle class with increasing disposable incomes, Asia still boasts only a handful of powerful brands and this is cause for concern.

Despite Asia's historical focus on manufacturing and trading activities, the global landscape could potentially face a wealth of new Asian brands in the coming years. Every country in Asia has its own list of aspiring brands just waiting to cross borders. In literally every industry sector, many companies are realizing the potential value creation they might be forgoing due to a lack of branding. These companies are gradually making a mark in the region, having been inspired by industry leaders. But few manage to attain international recognition.

To create iconic Asian brands true to their roots and origin, Asian managers will have to become trend-setters to a much larger extent than today. The future perspective for Asian businesses is that, in order to be successful, they need to capture the spirit of the region but they also need to lead the way by creating that spirit. It is time for Asian boardrooms to rid themselves of their inferiority complex and focus more on what Asia actually has to offer when it comes to brand building. ■



10 crucial steps for company leaders

1. The CEO needs to lead the brand strategy work;
2. Build your own model, as not every model suits all;
3. Involve your stakeholders, including customers;
4. Advance the corporate vision;
5. Exploit new technology;
6. Empower people to become brand ambassadors;
7. Create the right delivery system;
8. Communicate;
9. Measure the brand performance;
10. Adjust relentlessly and be ready to raise your own bar all the times.