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Banking on Brand Singapore

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SINGAPORE brands were highlighted in an unexpected way at Monday's opening of the Global Brand Forum when Senior Minister Lee Kuan Yew spiritedly addressed potential pilot-management tensions at Singapore Airlines (SIA).

Government leaders had recently weighed in with cautions for both the Air Line Pilots' Association of Singapore (Alpa-S) and the management, following the ouster of Alpa-S committee members by members unhappy that their leaders had acceded to wage cuts and layoffs during the Sars crisis period. Mr Lee's comments were the latest and certainly the strongest. Saying that hundreds of millions of dollars would be lost if there were a showdown

between the national airline's management and its pilots, he declared that the government was determined to resolve the issue "before it becomes troublesome".

As it turned out, this major seminar on global branding was an apt platform for the senior minister's remarks. SIA is, of course, one of the few Singapore brands that can be considered truly global. Mr Lee noted that a key component of the SIA brand — the airline's reputation for exceptional service — would be threatened by any industrial action by the pilots.

One other important aspect was left unsaid but clearly implied. This is the fact that SIA, while commercially run, carries the national flag. Moreover, as illustrated by the Sars crisis, an SIA fallout would also hit the country's tourist industry. In other words, it isn't just a Singapore brand that is at stake, but Brand Singapore itself. That begs the question of just what Singapore as a brand entails. Clearly, it has significant commercial value, just as any world-class brand would have. But the point is that a brand becomes world-class because customers and investors have attributed to it a value far higher than any bottomline accounting of its assets would give it. And it is the intangible assets like the quality of the people and infrastructure that make up the premium. Moreover, the value of a brand is never static, and can rise or dip dramatically in reaction to both external developments as well as changes within the organisation.

So the one thing that can be said with certainty is that the value of Brand Singapore has changed over the years. Indubitably, this value increased exponentially in the two decades following the turmoil of the Independence era. Mr Lee points out that he did not set out to brand Singapore. However, he and his team effectively did that by successfully differentiating the island-nation from other countries in the region and making it a "First World oasis in a Third World region".

Competitive edge

The country's brand value is likely to have continued to rise through the financial turmoil of the late 1980s up to the present. But many of the factors that now make up Brand Singapore will certainly have changed. Identifying those factors is all the more important now. With the relaxation of trade barriers, leaps in technology and access to this technology, and an all-round improvement in business savvy, the competition, between countries as much as corporations, is far keener.

Understanding just what enhances the nation's brand name and gives it a competitive edge becomes imperative. We could perhaps begin with a trenchant observation from Mr Lee himself: that mavericks help move a society forward. A culture that encourages and develops maverick out-of-the-box thinking and action could be just what's needed to rejuvenate Brand Singapore.