Chapter 51
Brand Positioning through Print Advertising

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ABSTRACT
Due to rapid economic development and a burgeoning middle class, China has attracted consumer market competition from around the world. The market environment in China, however, is culturally complex. Juxtaposed between traditional Eastern values and Western materialism, China presents unique challenges regarding brand positioning. Within this scope of inquiry, the authors explore an important aspect of positioning: consumer product branding through print advertising. Specifically, they explore the demographic makeup of models/spokespeople, look at differences between domestic and foreign brands, and postulate how such advertising choices influence brand perceptions. The results show that Chinese domestic brands prefer Asian models. Interestingly, multinational firms appear to be choosing young, mostly male, Asian models. This is an important shift in branding and garners support for “localization” strategies for Chinese markets.

INTRODUCTION
Starting with the economic reforms of 1979, market developments and subsequent marketing activities in People’s Republic of China have risen steadily over the last three decades. Advertising has grown from a cottage to a sizable industry in China. In 2010, domestic advertising expenditures in China reached 234.05 billion Yuan (U.S. $38.15 billion) accounting for 0.6% of China’s GDP (Meng, 2012). The development of the industry increases the demand for ancillary functions such as copywriting, account planning, art direction, media buying, modeling, etc. Indeed, Chinese central planning now recognizes the advertising industry as a critical facet of economic growth.
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(Meng, 2012). The state administration for industry and commerce set 2010 as the “year for advertising development.” Nothing better illustrates the change in attitude toward advertising than contrasting the pre- and post-reform quotes from Wan Li (former Premier of the State Council):

- “If you want to eat rice, look for Wan Li.” Immortalized as a folk saying and quoted prior to the 1979 economic reforms; and then
- “Advertising is an indispensable element in the promotion of economic prosperity.” A statement made during the 1987 Third World Advertising Congress.

Today, print media advertising in China is uniquely challenging. To begin with, the Chinese product market is very diverse. Both foreign brands, often produced in China, and Chinese domestic brands now compete for mind shares of the burgeoning Chinese middle-class. Coupling this product diversity with heavily Western cultural influences from “global” marketing campaigns, the rigors involved with branding in China become clear. Advertisers must decide whether to tap into the emerging sense of nationalism, on the rise even among young Chinese, or to establish their brand as a preferable “more Western” choice (Dong and Tian, 2009).

While research has been conducted on both the content and contextual elements of ads, much of the research remains narrowly focused and provides a disjointed view of advertising effectiveness. This is true from both a theoretical and practical perspective. Social change is progressing so rapidly that useful observations (and managerial prescription) from less than a decade ago could be erroneous today. Moreover, very few studies have been designed to simultaneously explore the advertising phenomenon descriptively (with positivistic inquiry) while advancing a sociological theoretical perspective to provide markers with practical (normative) insight (e.g., Zhang and Shavitt, 2003). The rapid development of a more “Western” culture coupled with the reality that much of China remains outside of the growing middle class creates a conundrum for successfully branding a product in China.

Take, for example, a fundamental decision on whether to utilize a Chinese or Western model in advertising. Then, add in the complexities of signaling to the target audience a domestic or international brand image. Even anecdotal evidence in China suggests that we understand little about how such advertising cues solidify a brand image. For example, Estee Lauder, a multinational firm, has chosen both the French model Constance Jablonski and the Chinese model Wen Liu as spokeswomen for China. Meanwhile, many Chinese domestic brands rely heavily on foreign models as “local” spokespersons. The sports brand Anta, for instance, recruited NBA player Luis Scola to be their new spokesperson. Despite a likely, “Luis who?” reaction from the average basketball fan in the United States, consider that according to Forbes (Ozanian, 2012), Jeremy Lin’s advertising worth was $14 million (U.S.) in part from a Chinese vehicle company, GEELY, signing him. So, just how “Western” does Chinese advertising need to be in order to be effective? How might domestic branding prove efficacious? Better understanding the tropes and stereotypes used in both foreign brand and domestic brand advertising is extremely important in understanding how brands are being positioned in the minds of the Chinese consumer.

Hence, this paper, presents a large-scale content analysis of models/spokespeople in Chinese magazine advertising. It leverages cultural theory on stereotypes to provide not only a description of a “state of advertising” in China but offers managers an understanding of how others are framing their brands. Thus, it expands the literature on “localization” strategies by exploring the model/spokesperson characteristics found in contemporary Chinese advertising.