

New Way of Country Branding by Factors of Irrationality and the New Advantages of its Acceptability, Affordability, Accessibility and Awareness

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Abstract

In this article main focus is on country/nation/people branding. The acceptance of the Nation Branding is growing. Strong National brand, as an asset, has not only advantages in international commerce but also in public diplomacy (Szondi, 2008). But people's branding, that means the ethnic group's brand building, is still not well known in marketing. If country brand mostly includes rational values, ethnic groups – people are usually known by their irrationalities.

The main assumption of this article is that, in order for the country brand to improve, it must achieve high marks on all four A's: Acceptability, Affordability, Accessibility and Awareness. Well combined, these attributes are called the 4A's. The 4A framework derives from a customer-value perspective based on the four distinct roles that customers play in the market: seekers, selectors, payers and users, using some combination of rational and irrational tools of branding, discovered by the research undertaken for this article. The concept of 4-A-s belongs to famous Jagdish Sheth, professor of Emory University who the author of this article met at Kennesaw State University in 2015.

As a research method the famous Delphi method was used in order to gain expert views and opinions on the issue of country. The information obtained through this qualitative method enabled us to establish prerequisites for the successful establishment of the Country Brand Formula (CBF). Using Delphi method, completed in 2 stages, 57 journalists who write about tourism and the countries that they travel to, were surveyed. But in the process of marketing research new horizons of Country marketing were found: the research crew was surprised when it faced new dilemma about choice irrationality. The countries mostly appreciated by people, have more irrationality than rationality. The process of country branding goes well when some sort of irrationality: beneficial irrationality exceeds rationality. This was a big surprise, one worthy of exploring.

Keywords: Acceptability, Country Brand Formula, Country Marketing, Irrationality, People's Branding
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Introduction

In today's world it is not only markets that are "overcrowded" by brands, or products going to be brands, but also channels of information, places in the mind of people, places around us, social events, and even areas not used for marketing before. The free areas, not used by marketers, look like sky fragments which people watch from the streets of New York City, if they have a habit of glancing at the blue sky. This means that to succeed, marketing agencies and marketers can only use all resources around them better. "A strong brand has become a defining feature of success in the current economic climate. Worldwide hyper competition for business, combined with an increasingly cluttered media environment, means that the clear message carried by a properly managed brand can provide the crucial leverage needed to thrive", said David Haigh (Brand Finance. Nation Brands, 2013).

To use all resources better, it is important to know that apart from the cold way of the country's branding, other ways should be better used. Some authors title another way of branding as hot. But according to our opinion, the irrationality as a brand building block better represents the meaning of these types of tools than some other definitions. When we say hot way of branding, we mean some promotional activities, instead of the nation's spirit, which can be somehow irrational itself. Frequently, such irrationality works better than any rationality in short or long period in the case of some countries.

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Irrationality and the Strength of National Brand

To think about Acceptability as the main criteria for country marketing, we compared two types of ways of branding, and entitled them as: rational and irrational. What are rational and measurable factors or brand building blocks? One leading company in the field of national brand management and measurement, The BrandFinance®, usually measures the strength and value of the nation brands of leading countries using an approach based on the royalty relief mechanism that Brand Finance uses to value the world’s largest companies. This company has established its own Brand Strength Index (BSI), which based on scores in the Nation Brand Impact™ Framework segments of Investment, Tourism, Product, Talent and a general segment. These segments are “inputs”. “Inputs are factors that can be directly controlled by the nation” (Brand Finance. Nation Brands, 2013). The quality of the national workforce and the ability of country to attract foreign talents is an advantage. But as the Delphi research, undertaken specifically for this article, shows – irrationality of people as a value is appreciated by people more than rationality.

But what is irrationality itself? “Beside one-self in an intensely emotional state; unable to control or contain one’s feelings; highly excited. Though one may be beside one-self with feelings ranging from pleasure to rage, the essence of the state is irrationality - being out of one’s wits” (“Irrationality”, 2015).

Irrationality of the people in a country, an example of which is the emotional but funny and beneficial national spirit, is worthy of being used well for any type of branding, especially in the countryside branding, or people’s branding. It can be used to express the expectations of visitors of the country to be received warmly, to feel excited, happy and loved. Particularly as love is the best irrational brand building block of the nation and its people.

To follow this route, country marketers should ask themselves about how to use irrationality’s “Acceptability criteria” for marketing. The business dictionary describes acceptability as: “A series of pre-defined standards related to the performance of an individual product, service or system that enables someone to easily determine the subject’s capability to perform its function within an acceptable range. Acceptability criteria can also be used to determine a tolerable level of risk” by some irrational spirit of nations and its people (“Acceptability criteria,” 2015).

Should Irrational but Acceptable Type of Brand Building Blocks Rise in Their Meaning?

Country marketers, if they do not see it yet, will see in future that irrational factor, not rationality, will grow in the country branding. It is not hot way of branding, which is suggested

in the process of brand pyramid building, using brand building blocks, it is something new. The meaning of the factors of irrationality should grow in future; hence “cold” rationality seems too boring.

If we check well, we will understand that irrational factors of country branding and irrationality belong to the spirit of the country culture and its beliefs. Irrationality can be divided into parts: irrational thinking, speaking and acting, spending much power for less, or nothing. It is mostly beneficial, but sometimes irrationality can be risky. Therefore, two factors of irrationality: a) Beneficial irrationality in thinking, speaking and acting and b) non beneficial irrationality in thinking, speaking and acting, should be distinguished (Fig. 1).

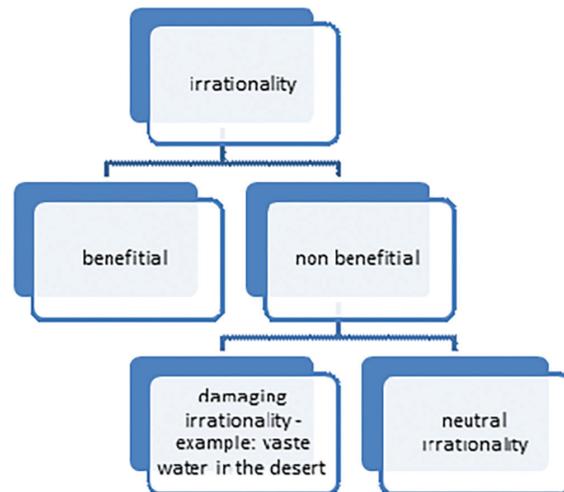


Figure 1. Types of Irrationality.
Source: author.

If yesterday country marketing combined organizational and analytical skills to produce goal oriented results, in future country marketing should be built more on people, on ethnic groups and their legends and sentiments and people’s spirit, hence in the world that is preoccupied with technology and techniques, people’s emotions and narratives should be something that is worthy of being explored.

But what kind of factors can be meant as irrational in country or national, even in personal marketing and branding? These following factors that cannot be measured by achievement oriented indicators such as: will, mindset, humor, intuition, faith, attitude and beliefs, enthusiasm, attractiveness, even beauty, which by the way cannot be measured and hospitality, warmness and helpfulness of the people.

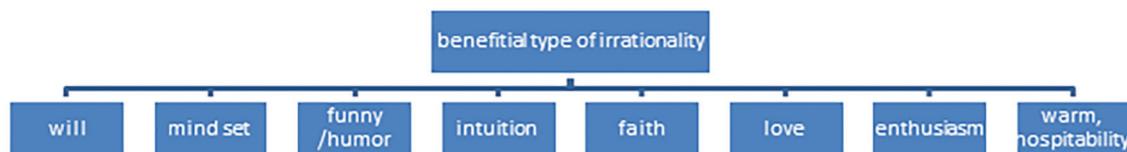


Figure 2. Irrationality.
Source: author.

Country Marketing and Irrational Factors of Its People as a Tool of Branding

If we recall Hawthorne Experiments of Elton Mayo done many years ago, we can conclude that workers were motivated by psychological conditions more than physical working conditions. What was psychological contract in the experiment of Elton Mayo (Mayo, 1933)? Could such experiments help us to understand Irrational Type of Country's marketing (Macefield, 2007)?

The psychological contract meant an unwritten understanding between the worker and employer regarding what is expected from each (Fig. 2). The same type of psychological contract brings people to each other, especially in the case of community, tribe, people and a country as a big union of different communities, which is also considered as having plenty of psychological contracts in action.

Accordingly, the core of irrational type of country marketing must not only be customer centered but people-centered. Understanding people well will be new paradigm of country oriented marketing studies.

The Delphi Research to Understand Irrational Branding

The Research had two goals: first, to understand the nature and meaning of irrational branding to be used in country marketing and the second, to check the people's irrational "psychological contract" as an instrument in irrational type of branding.

As a research approach the famous Delphi method was used in order to gain expert views and opinions on the issue of country. The information obtained through this qualitative method enabled us to establish prerequisites for the successful establishment of the Country Brand Formula (CBF). Using Delphi method, completed in 2 stages, 57 journalists who write about tourism and the countries that they travel to, were surveyed.

The Delphi marketing research method can be used to summarize opinions and judgments obtained to formulate objectives, seeking consensus. "This method is useful to a wide range of problems, provides a focused interaction between people who are geographically dispersed, and also allows change ideas between people from different disciplines. The research conducted through the Delphi method provides quantitative and qualitative results" (Denisa & Dado, 2013).

The Delphi research was carried out in the two rounds. The first round was carried out in September 2014 and the second round was done four months after. The rate of questionnaires' return was 91 percent.

During the research, we discovered the another hypothesis of the country branding meaning that people are mostly important criteria for Country Irrational Branding, and found that country branding should be people-centered too. What is country brand if it is not source of pride for domestic people? This question was asked to the respondents, who answered that, Brand is similar to some pride and influences domestic narratives and feelings.

In the research it was tried to ensure that Country

brand's customers are aware of the product, but also ensuring that the product is affordable, accessible and acceptable to them. On the example of 4A-s it is demonstrated how looking at the world, through the 4A, support first of all Countries and their brand building process to avoid marketing myopia as well as managerial myopia.

Most respondents, journalist travelling to different countries, talked openly with interviewers and answered their one of key questions about, "what is your motivation to visit some country again, second time, third time, fourth time, many times?" The common answer was: "I am visiting once again or many times if I am loved and appreciated, and I see that I am not only their income source, but a friend". One of the respondent says that he was attracted to one country, because "people of this country are infantile: they are like children, make friendship easily and invite you to their houses". Another journalist, speaking about his attitudes to the country that he has visited many times says that "here a woman's smile and a man's street language is more authentic than it is in some other places". One very experienced, aged respondent, who has travelled to many countries represented his idea in this way – "I am coming to their civilization because I have feeling that I am going back to my childhood".

If travelers and visitors of a country somehow establish strong social ties with its population, its people, they go this place second, third, fourth and many times. Who are they if not loyal customers? One respondent, when she discovered her loyalty to Germany, added that she goes many times to this country not only because she likes most brilliant German punctuality and infrastructure, but also has some warm memories connected to German people because she spent her university period there.

Thus, loyal customers become brand ambassadors. Growing number of marketers are already using human beings as brand ambassadors.

What are Limitations to Irrationality for Putting it into Country Brand Formula - CBF?

When we speak about irrationality, it is first of all people's, ethnic group's irrationality. Why people's and not person's? Individual's irrationality is the pack of life events that cannot be researched, but people's irrationality, for example sensibility of Gurians in Georgia, or bravery of Laz people in east Turkey, honest mindset of Kakhetians in east Georgia, the sweet conversations of Racha people in west Georgia can be well discovered, researched and branded. For example what is said in one online forum about Bavarians – "A party like their dominating one (CSU, existing only in Bavaria) would not have many followers outside Bavaria. They have the Beer and Lederhosen image that is wrongly attributed to the Germans as a whole in America..." is example of irrationality too (Pense, 2014).

Somehow these above mentioned characteristics of different people from different region already are famous generic brands, but through proper brand management, they can receive another status, become world brands and improve their country brands in future.

But the irrationality has its limitations. We need to know irrationality's boundaries to establish country branding formula. That is why we asked special questions to our respondents to know what kind of irrationality they do not

appreciate.

The answer was unanimous – respondents do not like some irrationalities we packed under the definition “damaging”! Accordingly the country brand formula was established.

Country brand formula established by the author of this article takes into consideration all rational and irrational factors of the country brand, assessing them through 4 A-s of Professor Jagdish Sheth and Country Branding through irrational factors of the author. It tries to combine Sheth’s 4-A-s with country branding by rational and irrational types of brand building blocks. Why are Sheth’s 4-A-s used? Customer’s acceptability especially to rational and irrational factors of brand building process seems to be crucial. Awareness is important too. That is why acceptability and awareness

become maximum rate - 5 in our greed. All other A-s have 4 degrees, hence affordability, accessibility are also very important, but customers of any country’s brand should firstly accept them.

Testing Country Brand Formula (CBF) - Comparing Poland to Germany and Georgia

To test this CBF, three focus groups were invited to Georgian-European Marketing Association. All members of focus groups had been many times in the above-mentioned countries, frequently for tourism, not doing business and they had some social ties to its communities, especially German beer drinking communities and Polish, Krakow food-and-bever-

Table 1. Country Brand Formula (CBF)

		Country's people's rationality as a factor of branding	Country's people's beneficial irrationality as a factor of branding	People's damaging irrationality	Country Brand Formulas
4 –A-s of Jagdish Sheth					
Acceptability	5	X1	I1	DI 1	Brand factors acceptability = $(5(X1+I1))/DI1$
Affordability	4	X2	I2	DI 2	Brand factors affordability= $(4(x2+I2))/DI2$
Accessibility	4	X3	I3	DI 3	Brand factors accessibility = $(4(X3+I3))/DI3$
Awareness	5	X4	I4	DI 4	Brand factors awareness = $(5 (X4+I4))/DI4$
Total Country Brand Formula					=brand factors acceptability+ brand factors affordability + brand factors accessibility + brand factors awareness.

Source: the author.

age societies. All of them have some appreciation of the cultures and their people. All these people were gourmands, especially appreciating some irrational traits of German and polish hosts.

Comparing German rationality to polish one, focus groups assessed them as 5 to 3, but German acceptable beneficial irrationality was assessed by 3 to 5. In the case of German people's "damaging irrationality", focus groups meant – few but some Nazis who walk in the German streets, especially in the evening, making foreigners nervous (Table 1, Table 2). About Polish damaging irrationality nobody knew anything. Other rates were formed by focus groups in the following way.

According this model Germany has total CBF score - 99,5 (Table 3, Table 4).

According this model CBF for Poland's score is - 95,33.

Compared to Germany and Poland, focus group members, represented their passion to calculate Georgia's CBF score. It was 33.

Conclusion

The combination of 4-A-s of Professor Jagdish Sheth with country/people branding factors, divided by the author into rational and irrational is interesting and very challenging. The main assumptions of the research that in order for the country Brand to improve, it must achieve high marks on all four A's, using some combination of rational and irrational tools of branding, was partly confirmed during marketing research.

First time in the country branding marketing science, this article tries to promote new path to it, offering the analysis of the branding of People and Ethnic groups, their attractive irrationality together with country's rational branding inputs, which are well controlled by country leaders, nations and their governments.

It seems that this article is opening a new window to the country branding as well as the promotion of irrational factors of people as very attractive tools to improve the whole country brands.

When CBF was established, it was tested with focus groups that were invited to special sessions. Comparing Germany to Poland and Georgia, it is clear that irrational factors of People and Ethnic groups have greatest influence on country's brands.

The research represented the challenging information about the future of these three nations: if Georgia decreases its damaging irrationality from 4 to 2, its score will rise from 33 to 41, but if Georgia raises its rationality from 1 to 3, its score will continue to grow. It is obvious that Georgia's strength is in Beneficial Irrationality, which must be pride of Georgian people and the whole nation. The same can be said about Poland, which is keeping balance between rationality and beneficial irrationality. If Poland increases rationality by improving the atmosphere for investment, tourism, infrastructure, growth and safety, this country will have the ability to overcome Germany.

The country/people's brand of Germany, which has created balance between the rationality and irrationality, is an example of success in today's Europe.

Table 2. Germany - Country Brand Formula (CBF)

	Rate of A-s	Country brand's rationality as a factor	Beneficial irrationality as a factor of branding	Damaging irrationality (DI)	Country brand formulas	Germany
4 a-s		X	I	DI		
Acceptability	5	X1=5	I1=4	DI=2	Brand factors accessibility= $(5(X1+I1))/DI$	22,5
Affordability	4	X2=5	I2=5	D2=1	Brand factors affordability= $(4(X2+I2))/DI2$	40
Accessibility	4	X3=5	I3=4	D3=3	Brand factors accessibility= $(4(X3+I3))/D3$	12
Awareness	5	X4=5	I4=5	D4=2	Brand factors awareness= $(5(X4+I4))/D4$	25
Total						99.5

Source: the author.

Table 3. Poland - Country Brand Formula (CBF)

	Rate of A-s	Country brand's rationality as a factor	Beneficial irrationality as a factor of branding	Damaging irrationality (DI)	Country brand formulas	Poland
4 a-s		X	I	DI		
Acceptability	5	X1=3	I1=5	DI=1	Brand factors accessibility= $(5(X1+I1))/DI$	40
Affordability	4	X2=5	I2=2	D2=1	Brand factors affordability= $(4(X2+I2))/DI2$	28
Accessibility	4	X3=4	I3=4	D3=3	Brand factors accessibility= $(4(X3+I3))/D3$	10,6
Awareness	5	X4=5	I4=5	D4=3	Brand factors awareness= $(5(X4+I4))/D4$	16,6
Total						95,3

Source: the author.

Table 4. Georgia - Country Brand Formula (CBF)

	Rate of A-s	Country brand's rationality as a factor	Beneficial irrationality as a factor of branding	Damaging irrationality (DI)	Country brand formulas	Georgia
4 a-s		X	I	DI		
Acceptability	5	X1=1	I1=5	DI=4	Brand factors accessibility= $(5(X1+I1))/DI$	7,5
Affordability	4	X2=2	I2=3	D2=4	Brand factors affordability= $(4(X2+I2))/DI2$	5
Accessibility	4	X3=4	I3=4	D3=4	Brand factors accessibility= $(4(X3+I3))/D3$	8
Awareness	5	X4=5	I4=5	D4=4	Brand factors awareness= $(5(X4+I4))/D4$	12,5
Total						33

Source: the author.

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