

## THE BUSINESS TIMES

Home | Site Map | My Stocks | Currency Converter | Place an Ad | Subscriptions | About Us | FAQ | [RSS](#)

Tue, September 2, 2008, Singapore

Search  [GO](#)

Newspaper Sections

**Log In**

UserID

Password  [GO](#)

[Register](#) | [Activate](#)  
[Forgot Password?](#)  
[Click here to turn on 'Remember me'](#)

**Special Focus**  
Published August 26, 2008

**SME Inc**

**ENTREPRENEURSHIP SERIES**

### Infuse personality into brands

**For SMEs, branding can be a holistic strategy to effectively re-define the way they function and reach their customers, reports IAN POH**

**More Story Photos**



Click on the thumbnail above for a full size view

**Market Report**

ST Index (Real-time)  
2,758.94 ▲45.15  
Tue, Sep 02, 2008, 17:57

**Regional Indices**

<b>KLCI</b>	1,090.00	-10.50
<b>HSI</b>	21,042.46	+136.15
<b>NIKKEI</b>	12,609.47	-224.71

**US Indices**

<b>Dow</b>	11,543.55	-171.63
<b>Nasdaq</b>	2,367.52	-44.12
<b>S&amp;P</b>	1,282.83	-17.85

Friday Closing

**Stock Report**

**Singapore:** Shares close 1.66% higher

**News**

**Breaking News**  
**Print Edition Headlines**

**Commentary**

**Hock Lock Siew**  
**Editorial & Opinion**

**Financial Markets**

- Stocks
- Stock Picks
- IPO Watch
- FX/Money Markets
- Funds/Unit Trusts
- Derivatives
- Commodities
- Calendar
- Tools

**Specials**

- Biz IT
- Property
- Executive Money
- Executive Lifestyle
- Motoring

**Supplements**

The Business of Time  
Quality & Standards 2008  
[More](#)

**McKinsey Quarterly**

**7-day Archive**

Mon Tue Wed Thu Fri Sat Sun

CLICK HERE FOR THE STRAITS TIMES

SINGAPORE BUSINESS AWARDS

HEALTH-ORIENTED product innovator OSIM, open-kitchen concept pioneer Breadtalk and exotic-but-affordable getaway provider Banyan Tree - these are local start-ups selling very different services and products.

- Email this article
- Print article
- Feedback



**Local brand made big: Clearly defined corporate vision permeating all interactions with customers as well as the company's internal business processes make up good brand strategising**

In light of their respective journeys to carve out business niches, what do they have in common? For the answer, think no further than a strategy up-and-coming SMEs should employ to make themselves known to the business world - branding.

As worldwide brands such as McDonald's, Panasonic and Microsoft would happily attest to, branding allows companies to differentiate themselves. It enables them to capture new markets more effectively, hence enhancing their competitiveness. For SMEs, branding can be a holistic strategy to effectively re-define the way they function and

reach their customers. Those who get it right early on will find themselves in a better position to compete with enhanced market positioning, sustainable bottomline performance and strong customer bases.

SMEs draw on branding as a strategic tool to differentiate themselves and build their brands. The question is - what makes a good brand strategy, and how can it be made relevant to an SME?

'Contrary to popular belief, a branding exercise is not just the domain of big-moneyed corporations,' says Edward Goh, CEO of Edward Whistler International. His company has assisted several SMEs on their branding projects, including fashion retailer bYSI.

'All organisations can benefit from branding. Beginning the process of branding when a company is small gives it an immediate market advantage. For an SME, the use of branding can help build market leadership at a lesser cost. For large companies, they can use branding to build on their strengths to sustain their competitiveness.'

Good brand strategising defines a company's value propositions, which are consistently communicated and demonstrated in a way that customers can recognise, experience and appreciate. There must be a clearly defined corporate vision permeating all interactions with customers



as well as the company's internal business processes. Advertising and marketing are required to effectively convey the company's value propositions to its customers.

Before making a decision and formulating an action plan to execute, there are internal factors to consider.

The company must be amenable to change, and proactively endeavour to instil a mentality of change in workers. Subsequently, the organisation as a whole can become a successful branding or re-branding process.

Branding cannot simply be regarded as a management and marketing department judgment call; a pervasive culture must exist. Each employee must live and breathe the brand ethos in going about their duties.

At the bottomline, adequate financial resources play a big factor. Most SMEs are hindered by limited budgets and tight cashflows unlike the MNCs and locally listed companies.

Pros like increase in sales, profitability, market share and brand equity must be weighed against risk factors. For example, a return on investment (ROI) must be worked out.

CEOs of small and medium-size companies must also be adequately observant of market dynamics if they want to find niches unoccupied by the power brand companies and successfully establish new and innovative brands for the future.

But in order to benefit from a global branding journey, SMEs should bear something in mind.

'Authenticity is paramount when a brand goes overseas, as customers in other markets are looking for a brand that is real and delivers on promises,' says Kim Faulkner, CEO of Activiste Brands.

'It becomes imperative that SMEs not try to develop copy-cat brands or brands that are trying to emulate a market leader. It has to be distinctive, and be based on real competence and product deliverables.

'Branding is critical to SMEs as they start out or as their business evolves because it is about creating focus and clarity in the business and the marketplace, and thereafter in the minds of customers.'

Global or international recognition of a company brand needs time to be built - something for which structures and programmes are in place to aid the branding endeavour of Singapore SMEs.

Statutory board Intellectual Property Office of Singapore advises on and administers IP laws, promotes IP awareness and provides the infrastructure to facilitate the development of IP in Singapore. This fosters a proactive assessment and scoping of IP boundaries within organisations, providing a conducive environment as a prelude to branding.

Launched by Spring and IE Singapore in 2005, BrandPact is a joint initiative aimed at raising awareness of the value of branding and helping enterprises execute their brand strategies, for example, through the organisation of workshops or seminars conducted by branding specialists.

The Customer Centric Initiative is also in place. It is led by Spring, the National Trades Union Congress, the Singapore Workforce Development Agency, and the Singapore National Employers Federation. Through the offer of an assistance package, it aims to help to redesign service quality and can help with the brand-building process.

Infusing a company brand with personality has a hand in making the otherwise inanimate product or service more appealing to possible customers, and forging a long-term link with them. But Ms Faulkner believes there's more to it than 'clever marketing'.

'It can act as a rallying call for employees to focus their various functional activities towards a specific brand goal, and can be a great corporate integrator if done correctly.'

**This is the fifth of an eight-part series on entrepreneurship. ACE is a private-public movement to foster Singapore as an entrepreneurial city ([www.ace.sg](http://www.ace.sg)).**