

# Japan's Nation Branding A Stakeholder Approach

By Keith DINNIE

The governments of many countries around the world are embracing nation branding as a means to enhance their country's reputation on the global stage and to achieve goals such as attracting foreign direct investment, promoting exports and boosting tourism. However, to date no single template or strategy has emerged to guide policymakers in terms of best practice. Some countries have thrown money at advertising agencies to produce glossy campaigns whose effectiveness and impact are frequently not evaluated; other countries hire consultants who sell slogans that are often so vacuous that the local and international media take great delight in ridiculing such efforts. While advertising and slogans have a role to play in nation branding, that role is just one dimension of nation branding rather than the be-all and end-all that some governments mistakenly assume.

A more mature approach to nation branding needs to acknowledge the strategic nature of the undertaking. Instead of fixating on slogans and other superficial embellishments, policymakers need to focus much more on the substantive issues that provide solid foundations for a nation-branding strategy. The challenge of implementing a stakeholder approach, for example, represents a key issue that will determine the level of buy-in to the chosen strategy. This article examines Japan's nation branding from such a stakeholder perspective.

In an ideal world, every stakeholder in the national brand would play an active and positive role in the country's nation-branding strategy. This idealized vision is shown in *Chart 1*. In reality, however, countries seem unable to develop coherent strategies that are fully inclusive of the entire range of stakeholders. With sufficient will and vision, several countries have succeeded in forming collaborative arrangements between the public and private sectors, which constitute two of the three columns in the FIST (fully inclu-

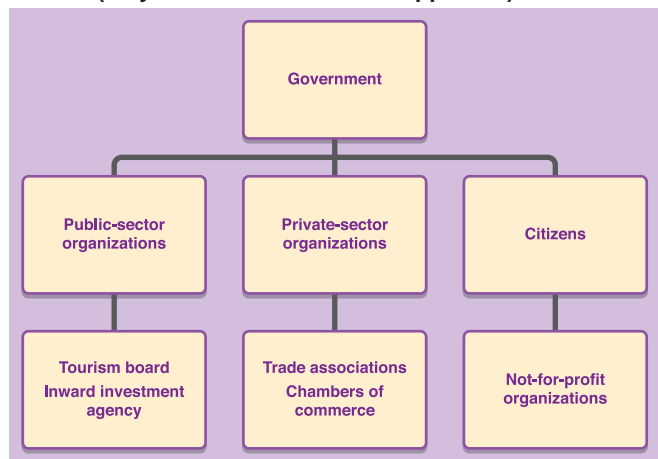
sive stakeholder) approach. But engaging the country's citizens has proven to be far more elusive, and many countries – including Japan – have failed to capitalize upon the potential contribution not only of their domestic population but also of their diaspora, which should be treated as a strategic partner in any nation-branding efforts.

The adoption of a fully inclusive approach to nation branding has not yet been demonstrated by any country. If Japan could achieve such a fully inclusive approach, it would represent a model for other countries to follow in the context of nation-branding strategy. In the short term, a more attainable goal for countries to pursue is program-specific inclusiveness, whereby sectoral strategies are employed and only the stakeholders relevant to that sector are invited to participate. Countries such as Brazil, Iceland and France have conducted well run campaigns of this nature. These campaigns are summarized in *Chart 2*.

Two of the campaigns shown in *Chart 2* were conducted explicitly to challenge existing misperceptions. In the case of Brazil, the "Brazil IT" campaign was initiated to position Brazil as a capable producer of IT services and products. Foreign markets were unaware that Brazil had a developed IT sector and the "Brazil IT" campaign successfully challenged this misperception. In the case of France, the campaign titled "The New France" sought to counter negative perceptions of France as an investment destination. In order to achieve that goal, an integrated approach was taken to promote France as an investment location and the results appear to indicate that the campaign was successful. The third country shown in *Chart 2*, Iceland, is an example of stakeholder participation in which collaboration occurs between two sectors – export promotion and tourism. All three country campaigns indicate the benefits that can be derived from a healthy level of stakeholder participation.

In the context of Japan, key stakeholders include (but are certainly not limited to) the government; the Ministry of Economy, Trade and Industry (METI); the Japan External Trade Organization (JETRO); the Ministry of Foreign Affairs (MOFA); the Japan National Tourism Organization (JNTO); the cities and regions of Japan; and the Ministry of Agriculture, Forestry and Fisheries (MAFF). In the following sections, the role of each of these stakeholders in Japan's nation branding is discussed.

CHART 1  
**FIST (fully inclusive stakeholder approach)**



Source: "Nation Branding – Concepts, Issues, Practice" (Butterworth-Heinemann, 2008)

## Government

National governments need to play an important role in nation branding, although there is no established consensus regarding the specific ways in which governments should structure their country's nation-branding strategy. Each country needs to develop structures and processes that are appropriate to its own unique circumstances. In South Korea, for example, President Lee Myung Bak has established a Presidential Council on Nation Branding. The council comprises 47 members, 16 of whom are senior gov-

CHART 2

**Program-specific inclusiveness**

CAMPAIGN	“Brazil IT”	“Iceland Naturally”	“The New France”
<b>Key objectives</b>	<ul style="list-style-type: none"> <li>-To gain global recognition for the Brazilian IT industry as a capable producer of IT services and products, particularly in the United States, the world’s largest consumer of IT products</li> </ul>	<ul style="list-style-type: none"> <li>-To increase demand for Icelandic products in the North American market</li> <li>-To promote the purity of Icelandic products</li> <li>-To encourage travel to the country</li> </ul>	<ul style="list-style-type: none"> <li>-To raise France’s economic profile among five leading target investment countries: the United States, Britain, Germany, Japan and China</li> <li>-To improve foreign investor opinions of France to attract new business and increase inward investment</li> <li>-To create solid relationships with foreign investors for long-term dialogue</li> </ul>
<b>Stakeholder participants</b>	<ul style="list-style-type: none"> <li>-Brazilian government through Brazil’s export promotion agency, APEX Brasil</li> <li>-Several IT clusters throughout Brazil</li> <li>-Individual IT companies</li> </ul>	<ul style="list-style-type: none"> <li>-Icelandic government through the Ministry of Foreign Affairs and Ministry of Communication</li> <li>-Icelandic Foreign Service (Overseas Business Services)</li> <li>-Iceland Tourist Board</li> <li>-Eight leading Icelandic companies and associations</li> </ul>	<ul style="list-style-type: none"> <li>-Campaign developed and run by the Invest in France Agency, a government organization</li> <li>-UBIFrance, an international business development agency</li> <li>-Maison de la France, the national tourist office</li> <li>-Information Service Department</li> <li>-Ministry of Foreign Affairs</li> <li>-French Economic Mission</li> </ul>

Source: “Nation Branding – Concepts, Issues, Practice” (Butterworth-Heinemann, 2008)

ernment figures whilst 31 are from various private-sector backgrounds. It is structured into five teams that have been allocated responsibility for the following functions: international cooperation, corporate and information technology, culture and tourism, the global community and overall coordination. It is too early to judge success of the Korean approach to nation branding. However, it is clear that the determination and personal commitment demonstrated by President Lee has galvanized the different stakeholders into action in a way that might not have occurred without such high-level endorsement of the strategy.

Although there has not been the same structured approach to nation branding within Japan, Prime Minister Yukio Hatoyama has articulated a clear vision that could serve as the basis for an effective nation-branding strategy. In the *Hatoyama Cabinet E-mail Magazine* No. 25 (April 2, 2010), the prime minister reiterates three main policy tenets of his government as “opening the bureaucracy, opening the nation and opening our future.” A concrete example of this new spirit of openness is the willingness of the Prime Minister’s Office to allow participation by Internet journalists and freelance reporters at press conferences. In any country, the relationship between politicians and journalists is often tense and mistrusting. Therefore the opening of press conferences to a wider range of journalists than before is a step in the right direction in terms of communicating official policy to the widest possible audience. The Japanese government could go even further and instill a more open approach towards foreign correspondents based in Japan so that these journalists benefit from a more receptive and helpful response to their requests for information and access to senior policymakers.

**METI & JETRO**

In his introduction to the 2009 White Paper on Small and Medium Enterprises in Japan, then Economy, Trade and Industry Minister Toshihiro Nikai wrote that the Japanese economy can be revitalized only when Japan’s

small and medium enterprises (SMEs) adopt a forward-looking stance, invest vigorously and expand sales channels to emerging countries. Elsewhere in the White Paper, it is noted that the performance of Japan’s SMEs has assumed greater significance than before, partly due to the plunge in automobile exports that occurred following the global financial crisis of 2008. As export promotion is one of the major objectives of any nation-branding strategy, it is to be expected that both METI and JETRO should play a leading role in developing a strategy that will strengthen Japan’s national brand through improving the effectiveness of the country’s export promotion measures. One way in which this can be done is through improving the human resource capabilities of SMEs, particularly in terms of enhancing SME management’s brand-building knowledge and skills. Another path to enhancing export perfor-

mance not only of SMEs but also of larger corporations is to conduct ongoing surveys of consumer perceptions in specified target markets, not just in the United States. Although conducting such surveys may appear to be an obvious measure to take, few (if any) countries do it in a systematic way.

**MOFA**

One of the ironies in nation branding is that the organization that should perhaps play the leading role in a country’s nation branding, namely its MOFA, is often apathetic if not outrightly hostile to the whole idea of nation branding. Foreign ministries tend to be elitist and conservative institutions with little appetite for engaging in dialogue with mass public foreign audiences. Within the world of international relations, the concept of “public diplomacy” has gained some support and interest within these ministries of some countries, yet public diplomacy is far from established as the dominant paradigm of international diplomacy. In one country that I have researched (not Japan), the foreign minister rejects the concept of nation branding and refuses to participate in his country’s nation-branding campaign. This illustrates the difficulty of achieving the ideal, fully inclusive approach alluded to earlier.

Even when a country’s MOFA does agree to participate in its country’s nation-branding strategy, there is no guarantee that its participation will be effective. A major problem in implementing a nation-branding strategy via a country’s global network of embassies is that the performance of each individual embassy is very much dependent on the personality and interests of the ambassador. If the ambassador is interested and committed, then things happen. If he or she is not interested, then there is no motivation for other embassy staff to spend time on a strategy crafted in the home country but which withers to nothing by the time it reaches distant embassies. My research among several countries’ embassies in Tokyo suggests that this failure of implementation is not unusual. Japan therefore has an opportunity

to establish best practice in terms of how a MOFA can make a positive contribution to the country's overall nation-branding strategy. For this to happen, the foreign minister will need to take a personal interest in the strategy and there will also need to be a clear delineation of responsibilities at the embassy level regarding the implementation of the strategy.

## JNTO

Traditionally, a country's national tourism organization (NTO) has been responsible for the majority of country image campaigns. In some cases, the NTO has been so successful in promoting an image of the country as a holiday destination that this image overwhelms all other dimensions of the national brand. Some Mediterranean countries, for example, possess powerful images for tourism but weak images for other important elements of the national brand such as export promotion and inward investment. In recent years, JNTO has adopted an interesting and unusual slogan in its brand communications, "Yokoso Japan." The unusual aspect of this slogan is that it uses a Japanese word (*yokoso* or welcome) that will be unknown to the vast majority of foreign tourists at whom it is aimed. Provided that the meaning of the word *yokoso* is clearly communicated to foreign audiences, this slogan is superior to almost every slogan used by other countries' NTOs in that it is clearly and uniquely Japanese through the use of *yokoso*. The new slogan "Japan. Endless Discovery" is blander and more generic and suffers from the same weakness as every other country's slogan, that is, you could replace the name of the country with almost any other country and nobody would notice the difference. The new slogan is not a bad one; it is just not as uniquely and distinctly Japanese as "Yokoso Japan."

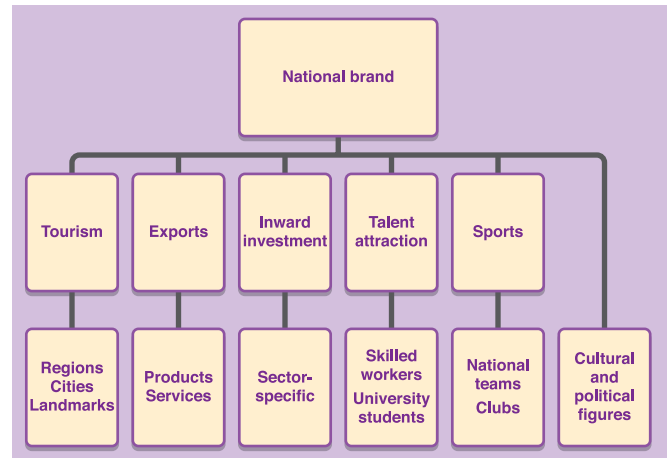
Slogans, though, are only one small element of an NTO's remit. More important is the need for NTOs to find creative ways of collaborating with other stakeholders in the national brand. The example of the "Iceland Naturally" campaign in [Chart 2](#) shows how tourism and export promotion can cooperate on a focused joint goal. A more challenging task is to explore how NTOs can collaborate with their country's inward investment agency. Some countries have begun to explore the potential synergies between tourism and inward investment, but these explorations are at an early stage. Again, there is the opportunity for Japan to establish best practice in this respect by strengthening the collaborative relationship between JNTO and other stakeholders in Brand Japan such as METI and JETRO.

## Cities/Regions & MAFF

In the domain of corporate branding, the concept of "brand architecture" is well established. The concept refers to the way in which the different brands within the corporate portfolio relate to each other and to the different markets in which they compete. The concept of brand architecture can be applied to a country's national brand, although there are no strict rules about how a country, or a corporation, should devise its brand architecture. A flexible approach needs to be adopted. [Chart 3](#) illustrates one possible perspective on national brand architecture. From the chart, it can be seen that regions and cities constitute what could be termed "standalone brands" in

CHART 3

## National brand architecture (NBAR) model



Source: "Nation Branding – Concepts, Issues, Practice" (Butterworth-Heinemann, 2008)

that they are part of a larger brand entity (the nation), but they can be promoted independently of the national brand if desired. An important and effective way of differentiating regions and cities as brands is through the promotion of local food. In the context of Japan, this is where there needs to be stakeholder collaboration between city and regional authorities and MAFF. When targeting foreign markets, JETRO also becomes involved in the promotion of Japan's food and drink.

While there has been undoubted success in spreading internationally some aspects of Japan's food and drink, there remains vast untapped potential to increase the awareness of and appetite for Japanese food and drink among foreign audiences. A good starting point would be a concentrated effort to break out of the *sushi* stranglehold and to show the world that there is much more to Japanese cuisine than *sushi*. Rather than spend precious resources on what has been termed "the *sushi* police," efforts could be made to promote aspects of Japanese food and drink that are less well known to many foreign audiences. *Saké*, for example, is not widely available in many markets and can only be found in Japanese restaurants; even less available are drinks such as *shochu* and *awamori*, which are totally unknown to most foreign consumers. Other nations have been far more proactive than Japan in internationalizing their food and drink, Scotch whisky and Thai food being two prime examples.

Japan's national brand is already powerful in many respects. Japanese companies such as Sony and Toshiba and many others are highly respected around the world, and some elements of Japanese culture have successfully reached foreign audiences. However, there does not at present appear to be a coherent and coordinated approach to Japan's nation-branding strategy. A more imaginative and collaborative approach needs to be adopted, whereby the relevant stakeholders are motivated to actively participate in a strategy that is designed to bring benefits in terms of attracting investment, promoting exports, and boosting tourism. **JS**

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