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Student's name: Yuan Gu

This work and its defense approved by:

Committee chair: Craig Vogel, MD

Committee member: Paul Zender, MFA

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Cultural Icon and Brand

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Yuan Gu

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Thesis Committee:

Craig M. Vogel

Zender Mike
ABSTRACT

Creating an iconic product is a designer’s dream. But people won’t stop there; they want to use the iconic product to reinforce their brand value. So the ultimate target is to create an iconic brand. However, when it comes to branding, we have to face the challenge of cultural differences. On the other hand, an iconic brand needs to keep its own iconic identity also called their brand gene. The brand gene can be expressed by products, services and other things. Typical examples are Apple and Motorola, the former succeeded because of its consistency on brand gene, while the latter failed because it chose the wrong gene. This master’s thesis will analyze several cases studies related to iconic design, cultural branding and localization, examine approaches of creating iconic brand and provide suggestions for brand creation and cultural adaptation.
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CHAPTER 1

Introduction

A huge part of designer’s job is to create new products that can make profit for clients, but a great designer’s work can bring more than that. Design works like the Volkswagens Beetle had such a strong impact that they lasted for decades, which created a legendary product and brand icon.

Today's new products came out rapidly; there are some new iconic products such as the iPhone. But an iconic product is not all about great design. A successful iconic product is no longer just a well-designed, fine crafted and well-functioning product, instead it is a combination of significant design work, fine craftsmanship, excellent function, outstanding service and smart business strategy.

Design is an interdisciplinary combination of art, technology, business and other disciplines. From a broad perspective, design can be as small as a pattern illustration in a paper package or as ambitious as planning and strategy for the whole brand. We can see that iconic brands like Apple have a consistent core brand idea from products, and services to marketing and brand strategy.

To get to know the secret behind an iconic brand and its product, we must know the relation between brand and culture. Brand idea normally is a cluster of cultural ideas; and it works within the cultural framework and affected by lifestyle, religion, politics, geographic issues and so on.
My purpose for this research thesis is to explore the secret behind iconic products and brands including design, branding and culture. Three case studies will be used to reveal these secrets. In order to identify why some brands succeed and become icons and why others fail, I will also give a brief summary of how to create and maintain an iconic brand from a designer’s perspective.
CHAPTER 2

Theory & Literature review

2.1 American icons

Icons are now used everywhere. In the book *American icons*, the author gives many examples and describes what it means when we say the name of person, place, or things that is an icon. To attempt to identify the popular phenomena, the author conducts surveys and finds out that people have strong reactions towards “icons”. Also, some hypotheses about features that associate with an icon are listed in this book. These qualities include:

—An icon generates strong responses; people identify with it, or against it; and the differences often reflect generational distinctions. Marilyn Monroe, for instance, carries meanings distinctly different for people who are in their teens and twenties than for people in their sixties and older.

—An icon stands for a group of related things and values. John Wayne, for example, images the cowboy and traditional masculinity, among many other associations, including conservative politics.

—An icon has roots in historical sources, as various as folk culture, science, and commerce; it may supersede a prior icon; it reflects events or forces of its time. The log cabin has endured as an influential American icon, with meanings and associations evolving from our colonial past through the present.
—An icon can be reshaped within its own image, or extended in updated images by its adaptations or imitators. The railroads and trains, for instance, have shifted from carrying associations of high technology and the modern, to conveying ideas of nostalgia and a retreat from high technology.

—An icon moves or communicates widely, often showing the breakdown of former distinctions between popular culture and art or historic American culture. Icons like ‘‘Whistler’s Mother’’ and the patchwork quilt are both revered as high art and widely accepted as popular art.

—An icon can be employed in a variety of ways, and used in visual art, music, film, and other media. For example, references in text or graphics to Ernest Hemingway or to Mount Rushmore or to the gun add meanings to every artistic text in which they appear.

—An icon is usually successful in commerce. Every advertising campaign, every corporation, hopes to become the next Mickey Mouse, the next Las Vegas, the next Golden Arches. (D. R. Hall & Hall, 2006)

The author of America icons gives many valuable instances of icons in modern culture, including McDonald’s which is studied in more detail in chapter four.
2.2 Emotional Design

“Emotion is a necessary part of life, affecting how you feel, how you behave, and how you think” (Norman, 2004). One vital reason some products become iconic is that they have some emotional connection with users. In the book “Emotional design-why we love or hate everyday things”, Donald A. Norman discusses how to design with emotional advantages. The book show us how people let emotions affect their logic judgment. A human’s cognition, behavior and emotional feeling make it possible to choose a product with friendly features or fancy looks over pure functionality.

An iconic product or iconic brand, has to fit into people’s cognition system- either by already having some relevant images in the subconscious or having an consistency with previous knowledge. Moreover, some iconic brands even educate people and create its own identity that is adapted by the public. The most obvious example would be Coca-Cola and Santa Claus.

*Emotional Design - why we love or hate everyday things* provides the author knowledge about people’s behavior and reflection and explains why people choose products using their emotions over functionality. The emotional feature correlates to the identity feature of iconic products or brands.
2.3 Apple Confidential 2.0

The book *Apple Confidential 2.0* describes the history of one of the most colorful companies in the world: from its legendary founding 30 years ago to its modern incarnation. The Apple brand and its products will be one of three major case study in this research paper, and the book *Apple Confidential 2.0* will be a primary source for understanding this iconic brand.

2.4 The brand innovation manifesto

In *The brand innovation manifesto* written by John Grant, the author discusses the interaction between brand ideas and cultural ideas. The book provides a complete and logical theory of branding. The book provides a method for choosing brand ideas and establishing brand strategy.
CHAPTER3

Definitions

3.1 Classic definitions of an icon

According to Webster’s Dictionary, “Icon” is defined as a “pictorial representation or a sign (as a word or graphic symbol) whose from suggests its meaning.” Originally, an icon is a religious work of art, such as a painting. More broadly, icon is also used in modern culture as a symbol of name, image, face or even product containing some well-known significance. Icons that can represent or stand for something of significance are usually associated with religious, cultural, political, or economic standing as well.

A cultural icon can be a symbol, a logo, picture, name, person, building, etc (Wikipedia). Cultural icons have to be widely recognized and can represent a concept or phenomenon. A cultural icon is considered to have a special status that differentiates itself from common things. A cultural icon also elicits strong responses; people either identify with it or against it.

3.2 New definitions of a Cultural icon

A cultural icon is a person or a thing regarded as representative of a symbol. A strong cultural icon is imprinted in people’s consciousness. It reflects people’s values or background. Recently, more and more personal accessories are becoming cultural icons. People use a mixture of favorite cultural icons to differentiate themselves from others and
show their identity. Cultural Icons become representative and signify more than one religious, cultural or political belief. Todays, cultural icons are more likely to represent people’s lifestyle, value, or even emotional state.

3.3 Iconic products

One type of cultural icon is product. Ford model-T, the Volkswagen Beetle, the Apple iPod and Coca-Cola are all typical examples of iconic products. Only disruptive products or technology can become iconic. Those icons are always well designed and well crafted. The most vital element according to Steve Jobs is that “it changes the world”. Iconic products have huge impacts such as the revolution of a manufacturing process or redefining or creating a new product category.

An iconic product is imprinted in a person’s mind (Wikipedia). It has an impressive and unique identity which leads to a strong cognitive affect. With deep and powerful symbolism, a cultural icon creates an admiration and respect in people’s mind.

3.4 Cultural Icons and Society

Culture provides a framework within which individuals, households and society functions. Culture is involved with but not limited to social values, virtues, religions, philosophies, habits and consumptions. On some level, people act similarly, because of the limitation
inherent in their culture. Cultural icons usually influence social interaction, and reflect social states.

3.5 Cultural Icons and Brands

“A brand is a cluster of cultural ideas” (Grant, 2006). Brand and cultural ideas are influenced by each other. Because of this reciprocal influence, every brand has the potential to be a culture icon. While cultural icons are often timeless and emotion driven, brands are feature driven and inconsistent. One of the most common ways of branding is to merge iconic fashion stars into the brand advertising that can make the brand instantly recognizable.

There is also a very interesting relationship between brand and culture. On the one hand, culture sets up a basic boundary of human behaviors and social functions, which may require an outside brand to make compromises to fit in. On the other hand, some brands carry very powerful ideas and become a part of the culture, e.g. Coca-Cola makes Santa Claus wear a red and white coat (Jones, 2009).

3.6 Brand identity, value, gene and cultural icon

To discuss the relationship between brand and culture, we must explore what makes a brand. Let’s assume there is a new company that has a business like Apple, which
provides products, services and also has its own retail channel. Assume the products have very unique design features and functions. The retail stores are confident in the products. As a result consumers will remember those special aspects of what this new company provided. At this very moment we cannot say this brand is built up, it still needs a history of consistent development which gives every product a background story. Then we can say there is a new brand because its products share consistency and a common identity.

Harley’s engine sound, Apple’s simple design work, and the creamy taste from Cheesecake factory represent those brands. Those unique features of products provide strong user experiences which then connect back to the brand, and create a powerful identity. Sometimes brands also use advertising, celebrities and sporting events to illustrate its identity. In a word, when the company and its products are filled with meaning and adopted by consumers, a brand is given birth.

As we know consumers sometimes choose products to differentiate themselves and show their special identities. In this situation, products are more likely to be symbols of what they do and lifestyles associated with it. Brands like Coke-Cola, Nike, BMW are more likely to be valued for their identity value (Norman, 2004). In addition to providing
identity value to consumers, brands can also provide trust, quality and reliability which can create a brand idea that consumers admire. Brands with strong identity values have the possibility to become part of the culture or have the potential to become associated with cultural icons, thus allowing the brand to become iconic.
CHAPTER 4

An iconic brand and its overseas strategy

4.1 The original brand idea of McDonald’s

McDonald’s and its golden arches have long been an American icon. The fast food brand has provided its food in a typical American way: Super-sized beef hamburgers and super-sized fries, along with really quick service.

McDonald’s success is deeply relevant to American culture. The beef hamburger reflects the American perception of a cowboy’s diet. And the “speedy and self-service” food became popular with the growing American car-culture and the fast pace of life. Efficiency is the largest advantage of the McDonald’s brand. McDonald’s is also well-known for standardization. When people go to a McDonald’s whether they are in America or in a foreign country, their hamburger and fries will be served in a clean and bright dining hall with exactly the same taste. In this situation, the consistency of taste and quality creates the “McDonald’s experience”. The playgrounds, the happy meals and the colorful environment add to the “McDonald’s experience” for children. This helps adapt the experience for the target audience: Children. With this strategy, McDonald’s builds a strong lifelong loyalty that will keep the children as they age returning to McDonald’s, and eventually returning with their own children once they become parents. Much of their advertising works to evoke a sense of nostalgia for the childhood experience of eating a fun meal in a familiar place surrounded by loved ones.
4.2 McDonald’s - Globalization and culture

McDonald’s began to go overseas in 1970. At first it kept its own identity with the golden arches, yellow and red themes and the same standard food and services. But then McDonald’s adapted. In France, McDonald’s created a classy eating environment for the French customers who prefer to eat in a classy French style. In Hong Kong McDonald’s offers a one of a kind rice burger. You can also eat burgers in blue and white decorated McDonald’s in Israel where they provide kosher food.

When it comes to the food industry, culture effect is huge. In certain cultural environments, people are sensitive about food. There are some foods that are considered to be normal that cannot be eaten in certain cultural environments such as India. In India many people are Hindu and Muslim, therefore no beef or pork is served in an India McDonald’s. The Chicken Maharaja Mac is the India edition of Big Mac. On the other hand, McDonald’s also serves a selection of vegan food for the 40% of Indians whom are veggie. In some other cultures, even restaurant decorations must be changed. The kosher McDonald’s is a nice illustration of this point. Although McDonald’s changed their food and decoration they didn’t change their fast service, standardization, or the “McDonald’s experience.”

4.3 McDonalds’ oversea strategy

There are some tricks McDonald’s has used during their globalization. Take China for instance, the politics, economics, social development and ideology are all so different
from the US, which became obstacles to international enterprises like McDonald’s. When McDonald’s first entered the Chinese market, it was exotic enough to whet Chinese people’s curiosity about the outside world. Its price was also relatively high at that time. The convenience, efficient service, comfortable environment and pleasing music do attract many people, but there are still some people who complain about the lack of variety. As the Chinese lost their curiosity about McDonald’s, it became less attractive in China. As a result McDonald’s had to adapt local culture and blend the two different cultures together. The spicy chicken leg burger, vegetable and seafood soup and corn soup were introduced. Later more Chinese items were added to its menu. McDonald’s on Beijing’s Wangfujing Street has absorbed even more Chinese elements. This McDonald’s restaurant is decorating with traditional paper-cuts arts which create a traditional Chinese look.

In the restaurant field, Chinese culture is not just conscious of the traditional color, fragrance, flavor and variety of food and drink, but also about the people’s habits and values. For instance, in China collectivism is the most important part of society and is emphasized for motivation while in western countries the individual is the most important part of the society. This explains why during the traditional celebration of spring festival or other Chinese festivals, McDonald’s is almost empty while Chinese restaurants are heaving and bustling.

Culture plays a crucial role in the food and restaurant field. Because of the differences in tradition, politics, economics, social development, the original cultural idea won’t be accepted here. So the basic solution for McDonald’s is to adapt into local culture, and
that’s why we see different style McDonald’s in different country. McDonald’s seems to have a ranking system for all their original brand ideas. All the advantageous cultural ideas are kept and all the negative ideas are blended with local culture ideas. McDonald’s have succeeded in China. When the two different cultures clashed, it has adapted the Chinese cultural elements of showing respect, recognition, understanding, assimilation and amalgamation, while maintaining the substance of the Western culture of efficiency, freedom, democracy, equality and humanity.
CHAPTER 5

Apple and its iconic products

5.1 The Apple brand

Apple was one of the very first companies in the personal computer manufacturing industry. Opposite the approach IBM pc took, Apple’s products are more focused on ease of use. The emotional benefits of this approach really differentiate Apple from their competitors. Apple also produces a series of innovative products such as the iPod and iPhone. In their words, those innovative products changed the world and the way people lived. Apple has already become an iconic brand with a strong rebellious myth surrounding it. Instead of changing itself and fitting in, apple chose to make a difference and change the world.

5.2 iPod - An iconic apple product

The first mobile music player went on sale more than 20 years ago. From the heavy and bulky boom box to the small and portable Walkman; from the Walkman to today’s mp3 players; everything changed with the introduction of new technology and a renewed desire of better products. But the iPod stood out and became an iconic artifact, here is how that happened.

When Napster was first introduced to the world in 1998, it was the very first file sharing system, the start of Peer to Peer (P2P) technology. Following the popularity of P2P
software, people began to enjoy music priced for free on the internet. The first generation iPod was introduced in 2001. Its capacity ratio was among the highest in the market at that time. The iPod 1 satisfied people’s needs and also proved that it was the product with top of the line technology.

In 2002, the second generation iPod was released. iPod 2 was the first iPod that was fully compatible with Microsoft Windows system. It was also the most Windows friendly product in Apple’s product line at that time.

Apple introduced the 3rd generation of iPod in 2003. The touch wheel interface was featured in the iPod. Apple also launched the service iTunes along with the release of the new iPod. The iTunes store was a way of adding value to the core product; it went on to become the largest online music store in the world.

In 2007, the brand new iPod touch was introduced. It was a new product that differed greatly from the previous iPod. With the iOS firmware running on it, the user could install several applications obtained from the App store. Many think this product was a rebirth of the Apple Newton with a better focus on ease of use.

5.3 The secret of Apple design

Apple’s products have shared a distinctive genetic code which inherited their traits from those developed by Steve Jobs. Apple’s “Snow white” design language was first developed by Frog Design back in the eighties. Later it became a coherent visual
language in all of Apple’s products. Apple was also particular about the use of curves, all
the cases featured rounded corners, but to differing degrees; various curve changes made
a special spectrum for Apple products, and this particular feature can be seen changing
year by year. That keeps Apple’s design simple without seeming repetitive. In recent
years, Apple has tried to express the design of seamless and the product of perfection,
which have higher requirements on the manufacturing process. To make a break-through
product, Apple has changed the whole manufacturing process, and is always looking for
new manufacturing possibilities. One illustration of this point is the MacBook Pro. Its
“Unibody” chassis is manufactured by CNC which is the most precise and exacting
manufacturing process of any laptop made today (Turner, May 2007).

5.4 The focus of user experiences

Apple changed its name from “Apple Computer Co” to “Apple Co” in 2007. Apple
became a consumer electronics product company. While most consumer electronics
product companies were selling technology, Apple chose different approach: they sold
experiences. Their user friendly software interface is already at the top of the market,
their hardware also provides great physical interaction. Specifically: When Apple first
released their iPhone in 2007, there were already a great number of 3G phones in the
market, but the iPhone was still running on the 2G network. If people simply valued
those products by their technical specifications, then the iPhone really did not have
enough competitive advantage to be a success against 3G phones. But by using a mature
technology, in this case the 2G network, it provided a more reliable and stable feel. iPhones gained extra value, because of the great user experience.

While other consumer electronic products companies introduced their product by giving people a bunch of technical specifications, Apple only tells customers how great their product is in a understandable way. Dell and HP always advertise their product by telling their customers exactly which CPU chips are in their product. But Apple, on the other hand, is avoids giving those details. Apple only discusses how much faster their product is or how much data their product can store. Apple only lets their customers know the clock frequency of their product to differentiate among their own products.

Apple creates an image of ease of use and understandable interface. They create great experiences in every way, not only in their products but also in their marketing and services.

5.5 The formation of identities

The meaning behind an iPod or iPhone was defined by Apple, therefore the perception of Apple’s products are the same to all the consumers. However, consumption by consumers not only produces Apple’s meaning or says “Apple culture”, it also responds to and reinforces culture. Apple’s products are acting like a “cultural mediation,” consumers choose Apple’s products to reinforce and fulfill their own identity. In this case, Apple’s products are not only something with great use value, they are also personal accessories
with a high value of identity. To satisfy consumers’ need to express the identities, several accessories are available for consumers to customize their Apple products. Accessories such as cases and bags help to make the iPod or iPhone unique such that they express users’ personal preferences. Sports accessories, docks and speakers not only extend the function of iPods or iPhones, but also help to represent a particular lifestyle for users.

5.6 The formation of cultural symbols

The iPod and iPhone are both very iconic products and they became a cultural symbol in people’s lives. In addition, the Apple brand has become a part of the culture. It is not hard to create an iconic product, but it is hard to use iconic products to build and maintain an iconic brand with a meaningful cultural idea behind it.

5.7 China: Apple’s compromise

For a long time, Apple has had a small presence in China (Denlinger, 2010). People in China love the purity and simple look of Apple product, but due to its high price it is not very popular in China. Also because Microsoft Windows has long been the dominant operating system in Chinese market, the Mac computer fares even worse in China. Everything changed when the first iPhone was released. Before 2009, there was no official iPhone distributor in China, but this didn’t stop people from purchasing this great
smart phone. The iPhone was imported into China through unofficial channels. Apple became more popular in China in spite of this limited availability.

The iPhone was sold in the grey market in China for almost three years, even though China has the largest mobile telecom operator in the world-China Mobile. China mobile was considered the appropriate iPhone distributor in China. As a large state-owned enterprise, China Mobile and China Unicom were used to ask for special changes and amendments to products. For instance they ask all cell phone manufactures remove Wifi features due to a “security issue.” Users considered the removal of Wifi a trick to avoid losing profits on GPRS data plans.

In 2009, China Unicom became the official iPhone distributor for China. Apple makes concessions like removing Wifi form the iPhone. Because many Chinese still wanted a fully functional iPhone (with Wifi) they keep buying unlocked iPhone from grey market. China Unicom finally added the Wifi featured to the iPhone 3GS in 2009.

Apple’s products are not cheap, while China has a price sensitive market; most iPhones are sold with a contract. In china people can usually buy unlocked phones without a contract. How can Apple succeed in this unusual market where Google and Yahoo failed?

First, Apple’s increasing market share allows the company to negotiate aggressively with China Mobile and China Unicom. Second, Apple has a complete and strong product pipeline, starting with the iPod in 2001, and continued with the iPad in 2009. Most Apple products are well-designed and build upon the strong core value of the Apple brand. In this perspective, there are few competitors that have the capacity to beat Apple in the near
future. Third, smartphones are a popular product in China and have seen increasing
demand for quite a while. Cell phones are more than a communication tool for the
Chinese; they are likely to be used as an entertainment device as well. The highly
customizable iPhone was just right for a Chinese user’s requirements. Never the less, as
the income of the urban Chinese population has increased over the past ten years, people
have become more likely to differentiate themselves by choose high quality product such
as Apple’s. Chinese consumers care more about what products or brands can accomplish
for their identities than the actual use value. Therefore, Apple’s products became an
iconic artifact in China. The iPod is referred to as a symbol of high-end music players;
iPhones have become an icon of an excellent cell phone.

Apple does not have a history in China, and due to its high prices, most users in China do
not get the idea of Apple products. Neither could people have a clear mind about the
Apple’s brand idea in China. Traditional Chinese culture dictates them to keep a low
profile and do not do things differently. Since the economy rapidly grew recently, the
urge to be different appears in the youth. In this case iPhones easily dominate the Chinese
market and overcome the previous leader- Nokia. People who use Nokia cell phones are
happy with its reliability and its nice function. But people who use an iPhone are not only
pleased by its nice design and features, but also feel proud because it enhances their
identity. When Apple entered China it had problems with China Mobile and China
Unicom. In spite of this, most users sided with Apple. They wanted Apple products and
they wanted the telecom company’s rules to be changed to accommodate Apple’s
products. Later Apple brought full functionality to the iPhone in China. Effectively
defeating the no Wifi rule. We can see Apple not only gave the Chinese consumers what
they wanted but also something that allowed them to show their personality and identity. Apple fit into the new popular Chinese culture and moved it forward. That is how Apple was successful in China.

5.8 Apple, as a cultural icon

The iPhone is a revolutionary cellphone, and the iPod is the most popular music player in the world. But neither the iPhone nor the iPod is in fact the best product in their category. Nokia has a better connection quality than the iPhone, and the Sony Walkman is more “HIFI” than the iPod. If Apple releases another product it has a great chance to be successful even if it is not the best. Apple has the most loyalty customers. In other words, the Apple brand is the key factor drawing people back. Earlier, Apple heavily spent money on advertising, now its brand value identifies what it is really worth. Today Apple is already an iconic brand, and its brand idea is full of mythology. Its mythology shows Apple as an innovative company. The mythology also builds a passion in creating a humanistic culture. Lastly, the myth allows Apple to identify itself as a hero, e.g. breaking the rules of the PC platform and fighting for their consumer’s right. At the level of product design, Apple has its unique visual and design language all around; at the business level, the brand myth of Apple already has an extremely strong connection to consumers. Apple is quickly becoming a cultural icon.
SONY’s failure

6.1 SONY the brand

Sony was the eminent international consumer electronics brand because of its leadership in innovation and sensitivity to potential consumer needs. Sony is now falling from the top. In the eighties, the Sony Walkman was the coolest device, but today the Walkman phenomenon has long since gone. The iPod is the new generation of cool. Over 297 million iPod were sold worldwide as of December 2010, which makes it the #1 selling portable music devices, compare this to Walkman’s 220 million since 1979. In the U.S., Apple’s iPod owned 72% of the market in 2006, Sony’s share was only 1%. In Japan Apple’s share was 50.7% in Feb 2006 compared to Sony’s 19.8%(K. Hall, 2007).

6.2 Walkman – An iconic Sony product

In 1979, Sony Corporation brought an amazing product to the public, it became an iconic cultural artifact for decades. That product was called the Walkman, it innovated and refined a mode of entertainment. While enjoying the beauty of high fidelity sound had been a group activity at that time, The Walkman gave consumers a new freedoms, solo and wherever entertainment.

The Walkman gives people privacy from a crowded world. With a Walkman, entertainment becomes a personal experience. A Walkman can even give users the ability
to regulate their mood and the environment around them no matter where they are. The first Walkman only featured an audio cassette player, but soon various Walkman models appeared. Some with FM radio receivers, some with screens. In 1984, the first Walkman CD was released. With the freedom it brought to people, Sony’s Walkman became a star and an icon of portable music until 2001.

6.3 Competition between Walkman and IPod

In 2001, the iPod was introduced to people by Apple. As a company outside the traditional consumer products industry, Apple did great innovation work to make the iPod become a next generation icon of the portable music player. Never the less, Apple produced a terrific digital music player but also invited a brand new music distribution system-iTunes. This revolutionary digital music retail system was much more convenient, the low cost of digital music helps it compete with CDs.

In reaction to the iPod, Sony designed high quality MP3 players, some of which were delicately made and had better audio quality than the iPod. But without the cohesiveness of hardware and software the products fell far behind Apple.
6.4 Consistency and innovation

A successful brand usually can handle two contradicting things well, one is well maintained consistency, and the other is constant change. In 1979, Walkman dominated the market because of Sony’s innovation work. When the first iPod was released, Sony was still firmly entrenched in the CD format music based on their Sony Music division. This strategy helped Sony dominate the market but also causes it to lose the market to Apple.

6.5 Multiple businesses strategies and the loss of core value

In recent years, Apple has releases some great products such as the iPod touch, the iPhone and the MacBook Air. All of these products focus on Apple’s core business-products of perfect user experience and innovative design. Sony is still involved in multiple businesses such as consumer electronics, the Sony music division, semiconductors, Sony Motion Picture Company and so on. Diversification like Sony’s not only drains the company’s resources but also loses the focus of core business. As a result, Sony lost the market share to Apple in the digital music industry, gives market position to Nokia in the cell phone market, and leaves behind Samsung in LCD market.

Although Apple has already dominated the digital music player market around the world with the iPod and it seems nothing will be possible to change its position in the near future. If someday a brand can challenge Apple’s iPod, it must be Sony. Because Sony has the Walkman, which is not only a trademark they owed, but also an icon attached to
portable music players in people’s minds. I can safely say that even today Walkman is still a word in people’s cultural background.
CHAPTER 7

Conclusion

7.1 Brands’ attitudes in front of culture

In previous chapters, we have shown that McDonalds and Apple have totally different attitudes and strategies when faced with cultural issues. McDonald’s chose to blend in. It changed its brand story to fit into a different cultural environment. In addition, it also adopted some new cultural ideas into its core brand identity. As a result, although McDonald’s is famous by its standardization, McDonald’s restaurants all over the world are telling different stories.

Apple, on the other hand, does have a distinctive marketing strategy in a different market and it still focuses only on its brand idea. The core value of Apple has never been modified because of different cultural environments. Instead of changing itself, Apple chooses to create a consistent and unique brand myth. In other words, Apple creates its own culture. People use Apple’s products to define their own identity. It brings a new cultural fact into the society. Compared to McDonald’s, Apple does not absorb other cultural factors instead creating and bringing in its own “Apple culture” into the new cultural environment.

Both McDonald’s and Apple are strong and iconic brands, why do they act differently when they enter different markets or foreign cultural environments? Will things work out if they switch roles? The answer should be no because their businesses are so different.
Food is one aspect of culture. The way people prepare and serve food and how people select food are the result of a long history of evolution in the culture. Today food is no longer just a tool for survival, but something to provide people with pleasure or even a symbol of social status or religion. Since the food culture is formed over such a long period, it is consistent and really hard to change. In a lot of cultures, due to religions reasons, there will be a certain acceptable and prohibited foods which may never be successfully changed.

People’s eating habits, or some local cuisines, can be seen as a cultural inheritance. For example, Jiaozi is a traditional food at Chinese Spring Festival and Zongzi is always present during the Dragon Boat Festival. There are stories behind these foods and they already last for thousands years.

The food culture is very strong in cultural environments. Split food into three categories: Food for survival, food for pleasure, and food for showing identity. With these categories we can see most food companies are trying to use their own brand story to support pleasure, because it is difficult to change the other categories. That’s why food companies like McDonalds must absorb local cultural ideas into their brand ideas in order to succeed.

Since Apple is a consumer electronics product company, it has a natural connection with popular and tech culture. With great design work and years of advertising and marketing strategy, Apple’s products are already considered to be cool and trendy. When the iPhone was released, Apple did not need to spend much money on advertising, the media and loyal customers promote the product and the brand for free.
Apple did not need to compromise to culture that like McDonald’s did. It embodies popular culture, and creates its own culture. Apple’s products help people to show their identities and see themselves as the trendy one. When new Apple products are released, people wait in line outside the Apple store, which is a unique feature of Apple culture.

McDonald’s was forced to compromise its brand to fit into a culture it could not change; Apple’s brand helped it create and shape culture rather than compromise.

7.2 Ways to uphold the brand gene

Sony was the leader in the world of consumer electronics products. Apple was a computer manufacture. Now Apple is an extraordinary consumer electronics company. In some aspects, Apple has overtaken Sony. The two companies have much in common, but the difference between them is the way they have handled their brand gene and brand spirit.

Apple and Sony both have iconic products. For example: Apple’s iPod and Sony’s Walkman. When the iPod first hit the market, its simple look and high capability made it very popular. However, it could not beat the Walkman in the Japanese market. In recent years, the Walkman lost market share all over the world to the iPod. The reason it lost is simple. Every iPod share’s a similar design language, which makes it simply and cool. It is also innovative in both function and design. So even though the new Apple products have revolutionary features, consumers can still see the same Apple gene in it. Sony’s Walkman, on the other hand, does not have the same consistency and innovation.
Although the very first Walkman is an innovative and revolutionary artifact, its basic function or features didn’t change much in the decades that followed. Also the portable music player idea has been shared by many other brands, which gradually made the Walkman less unique compared to the competitors. From the original Walkman through the CD Walkman, and MD Walkman, to today’s digital Walkman, the only thing consumers notice is the change of industry standard (the evolution of storage media). Sony has not made anything innovative since the original Walkman, and consumers lost passion for the Walkman overtime. Therefore Sony did not do a good job of innovation, but what about consistency? Sony has a design language, the sleek, fashionable and hi-tech look, but most other consumer electronic products brands do as well. That’s why it is hard for consumers to find a connection with Sony products. The only consistencies in their products are the Sony and Walkman trademarks.

At a brand strategy level, just like most other global brands, Apple and Sony are expanding their business into multiple industries, but their results are different. Apple has a complete product line of iPod, iPhone, iMac, MacBook and Apple TV, and a series of software products like Mac OS, iOS, and iWork that run on these products. Services like iTunes, the App Store and iCloud are also attached to their products. All the hardware devices, software, and services are different but they share a similar spirit and are made better by working together. In other words, they all focus on making the user experience better and add value to the Apple brand. Even the Apple retail stores are decorated and organized exactly like the Apple experience might dictate. As a result, every new product or service Apple releases will reinforce the Apple gene and make the Apple culture stronger. Sony also has a more complex business. Sony has different sub-brand for its
different product lines: Vaio for PC, Bravia for TV, Playstation for video games, Walkman for music players. Sony even has Sony music which produces music. But those different divisions don’t have much connection to each other’s. ITune music store adds a lot value to iPods, but Sony music does not bring any advantages to the Walkman.

Although Sony does have many successful products, they do not really add value to the Sony brand. Diversification like this not only drains the company’s resources but also loses focus of the core business. When people shop in the Sony Style store, they can feel the Sony experience just like using Sony’s products, which is nice but universe. Sony’s brand is not built up based on emotions, and its brand does not have the ability to be part of the cultural identity.

In summary, when Apple is compared to Sony. Apple has a unique design language, an Apple gene. The Apple gene is expressed in everywhere in the brand such as their product designs, their service experience, their advertising and the Apple brand itself. Therefore people can feel the spirit of innovation, that unique and a strong humanistic experience. All those human connections makes Apple stand out from the rest of the
technology world. As a result, Apple’s products, services and advertising are more recognizable and memorable, which gives it the ability to become iconic and dominate the market.

7.3 Connection between iconic products and iconic brands

Although people always thought Apple’s products were cutting edge on its industrial design, it is not the major factor that made Apple successful. There are many well-known designs and finely crafted products out there. For example, compare the Apple Macbook Air to the DELL Adamo, which also features a remarkable design work. Plus its functionality is also great, and the manufacturer requirements are even higher than the MacBook Air. If we compare those two products, we can say the Adamo is at least as good as the MacBook Air. But Dell discontinued the Adamo laptop due to its lackluster sales. So design and craftsmanship alone cannot equate to good sales. In 2010, Apple released the IPhone 4, later the Antennagate scandal came into the public eye. There is no doubt that Antennagate is a design flaw. But after Apple fixed the problem by distributing the free-cases, the flaw did not seriously affect the company’s financial reports.

Brands are more important than products. An iconic and influential brand has the ability to overcome product flaws. It is also the key factor for making great sales. An iconic product won’t last forever, but an iconic brand will if managed well (Kahney, 2002).
7.4 Iconic Global Brand Strategy

A good global brand idea should be unique enough to distinguish itself from all other competitors, while not going outside of the cultural framework. It either adapts to a culture or it fits into culture. It is brilliant to make brand ideas become part of the culture, but that does not mean to simply picking up some existing culture ideas. The brand idea should form based on the target market and the lifestyle of the consumers. It should be so attractive to consumers because deep down it is their own ideas that no brand has expressed before.

Iconic global brands can lead to a higher identity value. Brands like Apple, can be seen as a brand to help consumers show their status, just like a badge. Maybe an identity driven brand idea is the focus of a brand like Levis or Coca-Cola, but that is not the only way to create an iconic brand. A brand’s core value can be different; it could focus on its humanistic design or its reliability and quality. The product should demonstrate a unique design language, which should be integrated in the product, packaging, advertising, and retailing in addition to a coherent experience that points to the core brand value. Consistency from feature point to core value can be seen as a brand gene, which will maintain consistency while encouraging innovation from generation to generation.
7.5 Conclusion

This research thesis has addressed three global brands that reveals three things:

First, brands can either adapt to culture like McDonalds or shape culture like Apple or Sony. This was explained this point in chapter 7.1. Different businesses have their own limits, so some times brand has to adapt to culture. Other times, a brand can choose to adapt or shape culture based on their strategy.

Second, brands can achieve and maintain brand dominance through consistent innovation. Chapter 7.2, 5 and 6 illustrate this point clearly. An iconic brand has to maintain consistency while also constantly changing itself. This is how an iconic brand evolves but keeps its brand gene. So no matter how many innovations a brand brings us, the core brand value should always be kept and reinforced.

Third, brand icons today integrate and center around consumer experience. Today a single iconic product is no longer enough to make a brand iconic. Just like Chapter 7.2 and 5.4 have described, a brand’s products and all its services should help to create the same consumer experience and reinforce the brand value together.
Reference


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