



Editorial

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Recent history is littered with abortive attempts to apply the tricks, techniques and initiatives of corporations to the public sector, and although the performance of such knowledge transfers in many sectors is gradually improving with accumulated experience, public/private partnerships seem more commonly associated with failure than with success.

Admiring glances have often been cast by those in government and civil services at the creativity, speed, efficiency and lack of ceremony with which companies appear able to hire and fire, restructure, reconstitute and reinvent themselves, build and implement strategies, raise and spend capital, create consensus, develop new products and get them to market, respond to competition and react to disasters. Being answerable to shareholders seems vastly preferable to being accountable to taxpayers and voters, the higher salaries play a part in that admiration and the ability to hold office for as long as you are competent to hold it seems like paradise.

What impresses politicians more than anything else, as they struggle to squeeze a few extra votes from an increasingly apathetic electorate, is the apparent ability of certain companies to shape public discourse, to manipulate their own images at will and above all to inspire unwavering respect, loyalty and even love for their brands. It is this power that more than any other feeds the vigorous public–private trade at the heart of the rapidly growing fields of place branding and public diplomacy (PB).

This power, it must be said, is partly imaginary: the main reason why

companies find it easier to be popular with their audiences is simply that they are offering something that is more welcome to those audiences. With a willing interlocutor, a dialogue of sorts is relatively simple to achieve, and thus also a measure of control over one's own image.

The private sector, by contrast, is seldom heard to envy the public sector: the longing glances cast in this direction are most often from consultants and other service providers perceiving what they imagine to be the limitless fee-paying potential of public money, combined with the relative inexperience of government clients in defending themselves against smart consultants.

The will and the need for governments to learn from private-sector experience are undoubted, but the problems attendant on transferring skills from one sector to the other are particularly intractable because they are partly caused by certain fundamental cultural differences between corporations and governments, ministries or civil services.

As I have mentioned in previous editorials to this journal, the main difference between companies and countries is that companies aren't really democracies at all: in fact, they are a species of tolerated tyranny, in which the Chief Executive will seldom tolerate any deviation from the declared corporate or brand 'vision'. A social contract is a very different thing from a contract of employment, and a worker who disagrees or fails to respect corporate aims can either leave, or be fired. It is no accident that many of the places that have made

the fastest and most noticeable progress in 'branding' themselves are the ones that are run most like corporations — most prominently city-states like Dubai and Singapore, where a Chief Executive-style leader has more than average ability to lay down the law and ensure adherence to his/her particular vision of the place and its future. Under such conditions, both the 'product' itself and the way in which it is 'made' and 'delivered' are subject to sufficient control or influence for a recognisable version of commercial brand management to take place.

In general, companies these days are encouraged to have ideologies, a notion that for very good reasons is rather frowned upon in the community of nations. (Cities, it should be said, are a rather different case, and perhaps because they are intrinsically less 'political' than countries, can often get away with a rather corporate-style management, complete with single vision and even uniform visual identity.) The Chief Executives of companies are prized for their charisma, imagination, strength of character and ruthlessness, while the electorates of most democratic countries today show a decided preference for competent technocrats, whose qualities are judged by their ability to 'deliver' rather than to dream.

In many ways, such choices are the sign of a healthy and stable democracy and certainly shouldn't be sneered at, but the unavoidable consequence is that work within the governments and civil services of such countries becomes somewhat routine and repetitive. Indeed, in many richer countries, it can seem as if the entire function of the civil service is, quite deliberately, to prevent change. Thus, the incentive for public-sector workers and even government ministers to be truly creative, imaginative or entrepreneurial is rather low.

One should not be misled by the fact that the same style of management vocabulary is often heard in both sectors — the language, at least, of private enterprise has succeeded in permeating government as it has so many other sectors of society — but in government the buzz-words may mean something rather different. When a Chief Executive encourages

his/her staff to 'think out of the box', it usually is a sincere invitation to radical thinking, from a complete revision of the company's product line or target market to outsourcing production to another country; when civil servants are given the same injunction by their departmental head, a 'dress-down Friday' may be more the kind of suggestion that is expected.

David Stevens of River Path, a firm that has helped to develop the measurement system for the UK Foreign and Commonwealth Office's Public Diplomacy programme, uses the metaphor of 'venture capitalists versus bankers' to describe how governments need to reform their culture in order to function and prosper in the age of global media. A banker will tend to invest relatively small amounts of money in a large number of projects, all of which are expected to provide modest returns. Staff are not encouraged to take risks, and a project that fails will likely result in the sacking of the employee responsible for taking it on. Venture capitalists, on the other hand, tend to make large investments in small numbers of high-risk projects; imagination and even failure are respected and the one or two projects that don't fail will provide more than adequate returns to bankroll the failures.

This risk culture is very much the keynote of modern PD, as the competition for consumer attention has never been more acute. As diplomacy's key 'audience' spreads out from the balanced, well-informed and fact-oriented professional elite of past ages to a wider, more emotive, impatient and often cynical mass audience, such a culture change becomes essential. The usual modest recipe of most government 'communications' projects — a conference here, a seminar there, some carefully-worded press releases sent out to carefully-selected journalists — may cost relatively little, but today run the risk of wasting every penny that is spent on them because such timid attempts to capture the imagination of a fickle and information-saturated public will seldom achieve anything at all.

PD needs to be as fast-moving, as demotic and as compelling as the most popular of

popular culture, and a campaigning mentality becomes the order of the day. One is no longer queuing politely with other government officials for the measured attention of a minister or ambassador, so much as fighting for seconds of the public's attention against 'Big Brother', iTunes and Second Life. PD isn't just a slightly modified form of traditional diplomacy: it's a different ball game entirely, where entirely different rules apply.

Countries and companies are also in direct competition with each other for the attention of the same audiences, and it is precisely because of the skill of companies in gaining this attention that the contest has become so fierce.

From the point of view of companies trying to sell their products and services in the global marketplace, gaining that attention is certainly harder work than it used to be. As a consequence, the emphasis placed on creativity — always the hardest and most important part of creating commercial communications — has steadily increased over the last few decades. This is partly because advertising and other forms of commercial communication are now a far more pervasive phenomenon in most people's lives than they used to be, and people have gradually built up resistance to it.

Once, consumers were prepared to put some effort into reading and understanding commercial messages, and even into political messages, because it is a natural tendency to listen to what people are saying to you: but once the messages began to proliferate beyond their ability to attend to everything that was directed at them, and they learned that there was seldom much value to be derived from these messages, consumers acquired the trick of shutting their minds to them. Consequently, advertisers need to use more and more sophisticated tricks in order to persuade people that, contrary to all expectations, this time the message really *is* worth listening to.

In the 1950s and 1960s, creativity in advertising was just the icing on the cake. An advertisement that showed the product, gave the information, looked good and was well placed, was sufficient for its purpose: but if it also

managed to communicate the message in a winsome, witty and original way, then the advertiser could reap a substantial bonus in extra attention, interest, goodwill and sales. Now, most companies acknowledge that cutting-edge creativity is the cost of entry into most markets. Unless every piece of communication is truly striking, original, beautifully produced and utterly persuasive, it fails because no one will even notice it: it simply won't register on the consumer's radar and will vanish without trace, along with the considerable investment the advertiser has made in developing and exposing it.

Consumers are bombarded every moment of every day with astonishing graphics, astounding utterances, the diligent application of remarkable amounts of intelligence, money, skill and hard work to every tiny marketing problem, and this is what governments, tourist boards, cultural bodies and other communicators in the public sector have to compete against today — with, of course, the additional handicap that what they are trying to 'sell' is often of little interest to the consumer.

In effect, there is an unspoken pact between consumers and advertisers: consumers are only prepared to give a moment of their increasingly precious attention to messages if in return they are rewarded by being genuinely informed, having their emotions genuinely stirred or by being genuinely entertained. This is the price of their voluntarily parting with some of their hard-won spare time in order to hear someone try to persuade them to part with their hard-earned cash — or, as it may be, their vote, their respect, their approval. And over the last half-century, as the consumer's attention has become a more and more valuable commodity, its price worldwide has steadily risen.

Public bodies are not battling it out alone with companies for this scarce resource. During the same period, another even more redoubtable opponent has emerged: the nongovernmental organisation (NGO). Many NGOs have been signally more effective at adopting and refining the communications techniques of corporations for their own

purposes than governments have, and indeed at developing many entirely original approaches to the problem of message fatigue. Growing up in the intensely competitive ‘attention marketplace’ of the last 30 years, charities, pressure groups, campaigning groups, independent think-tanks and a whole host of other bodies and organisations — including, one could well argue, terrorist groups and fundamentalist movements — have quickly evolved into lean, efficient, media-literate and utterly communications-driven specialists. Like official bodies, these organisations have also faced the fundamental challenge that the ‘product’ they are ‘selling’ is intrinsically less appealing than that of their competitors in the commercial sector — indeed, in many cases, it is positively unwelcome — and many of them have risen to this challenge in spectacularly successful measure. Even more remarkably, most of them have achieved this despite the additional handicap of very limited budgets and human resources, which is how they have developed the additional and equally redoubtable skill of highly effective fund-raising and volunteer recruitment.

A large part of the reason why such organisations have risen so quickly and so effectively to the challenge of competing in the modern attention market is that their structures and cultures are inherently suited to the age in which they operate. Governments, civil services, and to a lesser extent corporations, have the far greater challenge of having to adapt and change large fixed structures to the new reality, without losing the resource or the capability to continue dealing with the traditional issues and challenges that still form such a large part of their responsibility.

The best NGOs are successful because they are hybrid organisations, combining the intellectual rigour, research-based knowledge, political expertise and broad strategic overview of governments, with the speed, efficiency, aggression, media and communications literacy, the same instinct for public opinion and the same passionate commitment to an ideological or quasi-ideological cause, as companies in the

commercial marketplace. They also have the significant advantage of focus, the ability to specialise exclusively and intensively on a single issue or set of issues, while government departments are always compelled to be generalists to some degree. The only remedy that governments have to combat this terrifying level of expertise is to hire ever more consultants and special advisors, but too much ‘bolted-on’ expertise tends to slow things down and reduce rather than enhance the ability for them to make quick and reliable decisions.

It seems evident, then, that for governments to compete on equal terms with such bodies, they too will have to build their own hybrid cultures. Radically changing their own structures and cultures will take too long, and runs the risk of reducing their ability to deal with their more traditional — and still essential — roles and responsibilities.

This is one of the reasons why, together with my colleagues at the UK Public Diplomacy Board, I devised ‘PDLab’, a PD resource that is deliberately situated and staffed outside the FCO. PDLab is predicated on the observation that there is a need for radical thinking and major innovation in the way PD is performed in the UK and elsewhere: if PD is to win the respect it requires as a key component in the art of progressive, collaborative and peaceful international relations, then it is clearly necessary to push the thinking vigorously forwards. Yet most foreign services continue to work with a limited range of fairly conventional PD tools and techniques, some of which are little more than simple media relations, clumsily adapted from the private sector, and poorly suited to the modern world.

To develop new approaches and new tools will require a good deal of highly informed creative thinking, and it will be necessary to bring together a set of skills and perspectives that have never been harnessed before in this context. PDLab is designed as a PD ‘skunkworks’¹, and aims to tap into a wide range of contributors including: professional creatives from various marketing communications disciplines; journalists;

interactive specialists; writers; propaganda scholars; psychologists, anthropologists and sociologists; political scientists and many others besides.

At the Wilton Park Public Diplomacy Conference this year, we invited delegates to participate in a live PDLab session and share their thoughts about how to extend the range of PD tools and techniques beyond mere communication, and leverage the persuasive powers of culture, beliefs, brands and branding, rhetoric, personalities, products and services, viral marketing, corporate diplomacy and the human mind itself.

The experiment has only just begun, but I believe it is a step in the right direction. Society and government today face certain challenges that simply cannot be tackled with the conventional instruments of political, military or economic power alone: the domain in which the most-significant developments of our age will unfailingly take place, for better or for worse, is the domain of global public opinion and public engagement. If the only effective agents in this space, and consequently the only real focus of public trust, are

commercial organisations, limited-issue political pressure groups and extremists, it is difficult to imagine that civilisation can go anywhere but backwards.

For this reason, the drive towards a more effective, more enlightened PD is very much more important than it may at first appear: it represents our best chance of ensuring that society in the future is guided by truly democratic principles and not by commercial self-interest, the political or cultural fads of the moment, or worst of all, by mob rule.

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Note

- 1 Skunkworks: A skunkworks is a group of people who, in order to achieve unusual results, work on a project in a way that is outside the usual rules. It is often a small team that assumes or is given responsibility for developing something in a short time with minimal management constraints. Typically, a skunkworks has a small number of members in order to reduce communications overhead. It is sometimes used to spearhead a product design that thereafter will be developed according to the usual process. The name is taken from the moonshine factory in Al Capp's cartoon, 'Lil' Abner'.