



Panel discussion

The perfect blend of Spaniards, Italians and Germans

TONI RODRÍGUEZ

There are goods and services using their geographic origin as an added value, while others prefer not to have it too mentioned. The prestige of a territory is very linked to its history, its cultural values and international recognition reached. Creating a reputation is not easy at all, but it is even less to change the stereotypes people use to spare the difficult task of doing an analysis free from prejudgement, especially if they are negative.

Spain has today a much better image than some years ago. Catalonia has an image that is becoming visible. Barcelona does probably better than both in scope and reputation. But are they all compatible? Are they contradictory?

To talk about this, *Paradigmes* gathered five different viewpoints: Lluçà Casellas from the machine industry; Iago Esteve Murt, representing a new textile business model; Ramon Ollé, expert in tangible and intangible brands; Jordi Serret, an experienced public manager of international relations; and Ferran Soriano, who has the difficult task of having Barcelona and Catalonia well connected.



Hardly anybody challenges today the advantages of globalisation for economic progress and benefits from opening markets. But there is no gain without a loss, and this phenomenon is also affected by it. Loss is in this case uniformity, cloning, repetition, lack of profile, in a word, a lack of difference between offers, products, services and countries.

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This effect is more visible in trade, gastronomy and tourism than in other industries with a more complex production. However, when people travel around and find the same brands, the same aesthetics and the same tools all over, it is difficult not to think of **George Orwell's** 1984, in which uniformity is synonymous with individual and collective happiness, a common good and a main goal to achieve.

Fortunately enough, nature is wise and humankind even more, and thanks to its inexhaustible regeneration ability, it has every small country and every city find back its roots and identity progressively.

Orwell has another novel to be remembered, even if it is only for its title: *Homage to Catalonia*. A homage nobody will make to it if we do not, a homage that could start by strengthening our values and make them more visible, a homage everybody should be interested in as it is perhaps indispensable to be really competitive in globalisation.

How relevant is territorial identity for the brand?

Iago Esteve Murt (IE): I believe that differentiation is crucial and our identity has a great

potential to enhance both exports and services. There is actually a certain uniformity in some shops and restaurants that does not allow to know where you are. This is why we adapt our establishments to their environment, the neighbourhood and the city they are located in.

Jordi Serret (JS): It is true that globalisation introduces many standardisation items and differentiation mechanisms need to be sought that are in fact the positioning of a country, a product, a service. For based on its differentiation, territories have more or less possibilities of attracting capital, financing and talent.

Lluçia Casellas (LC): You cannot generalise. You can't talk of gastronomy like industry. Our country image can help in some markets and in others not. In Latin America perhaps, but what counts in Germany is quality and not our territorial identity, which is still very little in the industrial domain.

IE: «Differentiation is crucial and our identity has a great potential to enhance both exports and services.»

Ramon Ollé (RO): It is true that there is standardisation, but with the internet the local is becoming increasingly important. There are many products you can find here as anywhere, but it is also true that microsegmentation has the consumer appreciate cultural values and the local footprint as much as ever. As a country, I think it is better to be relevant than to be different, which doesn't mean to be attractive. The brand needs to have an intention, it needs to be managed and measurable. It is obvious that Catalonia and Barcelona have an identity. But does this make a brand?

Ferran Soriano (FS): Globalisation and homogenisation have people look increasingly for authenticity. But things also need to be profitable. And to be profitable they need to be well marketed.

Perhaps we lose a bit of authenticity here, which is well lost if we thereby make more business. I also believe that globalisation has enhanced improvement through merit as it forces to make more good products. A Spanish engineering product

had a very big negative burden twenty years ago. Now it is not so much the case. For instance, I don't know if you would by Brazilian machinery, but I would because I know that in Brazil there is as good engineering as in Düsseldorf.

RO: «The brand needs to have an intention, it needs to be managed and measurable. It is obvious that Catalonia and Barcelona have an identity. But does this make a brand?»

And is there a trend towards less product differentiation?

FS: I think so, but the difference lies in technology, price, features, etc.

So it depends on the perception of the target audience?

LC: It depends on the value the target audience gives it. You can make a high-quality product, but if there is a competitor from your own country making a disastrous product you also take some damage. This is why many industrial companies are rather global as they are rather based on quality than territory.

FS: An industrial machine is not the same as a perfume. A perfume has no technical difficulty, but it has a symbolic load as a very big brand.

JS: In any case, brands are not unchangeable.

They can always change as a country or a company evolves, thanks to the enormous power of media allowing to convey messages and change them with an unprecedented strength. So now it is possible that good quality of a machine from Brazil or any other country eventually prevails as it is more likely to prove its quality or efficiency. In any case, the brand appears after a thought on its values and properties in analysing its external image and public goals. And you're going to use it or not, according to its ability to meet the goal of creating value for your service or product.

So the importance of territorial identity is relative in a brand.

LC: Not that it is relative but you cannot generalise. If you go to China and talk of Catalonia or



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Spain, there are many people who will know nothing about it, at best they will identify a spot on the map. In China you need to talk of Europe, the Europe brand and the image they may have of it.

LC: «You can make a high-quality product, but if there is a competitor from your own country making a disastrous product you also take some damage.»

So it depends on both the target and the industry.

RO: Brands have a context and you need to go for it. Spain has gone for being a tourist destination and it has a positive image there. But not in technology, and this has Made in Spain provide nothing to a technological product made there. We need to choose well the context in which we want the brand to be strong.

As far as we know, Italy is associated with values of artistic creativity, beauty, balance and culture; France with fashion, sophistication, luxury, hedonism; Germany with reliability; Britain with cosmopolitanism... Of course, this occurs rather with First World than emerging countries. In the case of Catalonia and Barcelona, what associated values do you see?

LC: Barcelona is very attractive at international level. Many executives would love to come and work here. Our industry has a quality image but is unfortunately not seen positively enough in Spain. As of now, we have an image more related to tourism than knowledge.

JS: It is true that Barcelona has a very powerful international image. And we also have many options thanks to our industrial diversity and its important historical basis. It is an internationalised economy making progress. But branding needs to be done with brief, specific messages and this diversity makes it difficult. I think the brand should be built on what we are but also what we wish to be.

FS: Barcelona has a good image related to design. But I do not agree so much regarding its capacity to attract talent. We have Erasmus students who wish to live in Barcelona but leave later as they want well paid jobs with career perspectives, and for that they need to work at rela-

tively large companies, which we don't have here. We need big companies going for Barcelona and settling and creating clusters here.

JS: «The brand appears after a thought on its values and properties in analysing its external image and public goals. And you're going to use it or not, according to its ability to meet the goal of creating value for your service or product.»

LC: It is not so much salary but opportunities. Without a powerful industry giving opportunities, talent eventually leaves.

JS: But it is also true that we have over 3000 foreign corporations settled in Catalonia. The Catalan economy has created very few multinationals, but economic evolution plays to our favour. Today, the value chain is breaking up and activities are located in certain parts of the world where they can be best developed thanks to the economic setting. I believe we need to aspire to be part of those processes that are being broken down at international level, those creating more value. They can be design centres or regional headquarters, which Catalonia should attract through its country brand. We should think in what branches we are better prepared and try to implement them in Catalonia's traditional industries.

Does that mean that a choice needs to be made?

JS: Nobody can be strong at everything. It is necessary to see what our characteristics are, where we are located and at what we can be strong.

IE: I believe that specialisation is also linked with differentiation. The issue is to know what areas we can specialise in.

And which attributes do you believe can help the Catalonia brand in its projection?

RO: The Barcelona brand is a great name that is used by many companies today. In design and creativity, Barcelona is still attractive as it is attributed a Latin and Mediterranean way of



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doing things as well as a rather European, plural component. All this should create value.

RO: «Spain has gone for being a tourist destination and it has a positive image there. But not in technology, and this has Made in Spain provide nothing to a technological product made there. We need to choose well the context in which we want the brand to be strong.»

FS: Yes, but all this seemed to me to be more true twenty years ago. When I started working, creativity and industry were in Barcelona and public administration in Madrid. This has changed now. There are many publicity agencies in Madrid. I don't want to seem negative, but can we expect that the European headquarters of Google are in Barcelona in twenty years? Why not? We have the perfect location. But **Google** Spain is in Madrid, its employees are from Madrid and speak Spanish and little English. And they are there because it is where the big customers are and there is more power than in Barcelona. When we say we aspire to have Barcelona become the decision-making centre of global companies for Europe, this is a dream. Because **Telefónica** is in Madrid and the third one, **Orange**, as well. What are we doing wrong that some of these operators are not here? This doesn't happen in Germany. So the way we need to go is difficult, although I think we have the tools, working capacity and credibility to do it better.

RO: But to what extent is this up to the brand image? One thing is talking of the product and another the brand and its meaning. I agree that there are more publicity agencies in Madrid now, but in most we find Catalans. Is this a brand problem?

FS: No, it isn't. We have a powerful brand but it lacks content. We have a great box but we need to fill it with industry, big companies giving job opportunities. In Madrid I believe they have a brand that is worth nothing but with much content. And it's not their merit, it is history giving

them support. Telefónica comes from an old monopoly, and so does **Iberia**. And we have been paying for this.

JS: This is one part of the discussion. This is why I said that the brand is the formula with which you want to project a country or a company. But the items making the country or company are the ones helping you to create this brand. The discussion on this concentration of economic power has to do with history and politics. The big corporations have their big influence because they come from privatisation of the big public Madrid-based monopolies. Of course we all would like to have a great brand, but it needs to be done based on creating the conditions allowing it to be strong.

The Barcelona brand was created based on the Olympic Games. Do you believe that the Catalonia brand has had some occasion to be created? Or does the Catalonia brand not exist?

LC: In certain places, the Catalonia brand is associated with reliability. For instance, you go to Mexico and being Catalan, you have a reliable image other people from Spain perhaps do not have.

FS: I have the feeling that this works only related with Spain. That is, being Catalan within Spain is all right. When you go for instance to Latin America, a company being Catalan creates a bigger feeling of reliability.

JS: «The value chain is breaking up and activities are located in certain parts of the world where thanks to their economic setting they can be best developed. We need to aspire to be part of those processes that are being broken down at international level, those creating more value.»

JS: Catalan companies say they are when this provides some added value. Perhaps in some Asian countries they do not know the Catalonia brand, but entrepreneurs can play with other cards like Barcelona, the Mediterranean or

Europe. Generally speaking, entrepreneurs do not hide what they are. Instead, they use the Catalonia brand in those places where it has a meaning, a history and some attributes.

FS: Do you now any region in the world having a brand image being well delimited and standing for its products? The Made in Germany brand does help its engineering products, but what about regions?

RO: There is one, namely **California**. **Apple** says that its products are designed in California. Sometimes it's much easier to create an image based on smaller and more homogeneous territories than on larger ones. For instance, London has a much more defined brand than Britain. The same occurs with Paris and New York. What happens with the Catalonia brand is quite usual. It is easier to associate a product with Barcelona than Catalonia.

FS: What does California suggest to you? Good life, technology, design, show business... It's an interesting case. I believe that applied to Catalonia, we would eventually go for Barcelona.

IE: We rather use Barcelona than Catalonia. Barcelona, as we said before, is known all over. Catalonia needs to be further explained and Barcelona is a design landmark.

RO: «The Barcelona brand is a great name that is used by many companies today. In design and creativity, Barcelona is still attractive as it is attributed a Latin and Mediterranean way of doing things as well as a rather European, plural component.»

When asking if the Catalonia brand was being hidden I was thinking of the Spanish market. This said, is the Spain brand really an addition to or a competitor of the Catalonia/Barcelona brand?

RO: There is actually a Spain brand very identified with tourism, which I know concerns them. They would like the brand to be also related with industry and other sectors. Regarding California, one thing they did very well there is

positioning by denial, that is, a good way of defining what you are not. What they did well is to say that while the East Coast is finance, they are lifestyle. I believe the Spain brand can add to it. Between Catalonia and Barcelona, I would clearly go for the latter and create the Catalonia brand based on its flagship, which is Barcelona.

JS: The California example is very interesting as despite being large, it has introduced very powerful and even imaginary subbrands like **Silicon Valley**. The idea is that Catalonia can create an umbrella brand but also subbrands, making a good counterpart of Barcelona: one would drag the other along.

LC: At industrial level, what is known of the Spain brand are big corporations coming from monopolies. Apart from that, there's very little.

JS: Spain is very powerful in tourism but so is Catalonia, which even has subbrands like **Costa Brava**. What needs to be seen is that a company as a whole has a set of options and needs to choose according to its goals. The crisis has made it now very difficult to manage the Spain brand. To manage the Catalonia brand, the different items showing that Catalonia has assets with a future need to be looked at.

So we have three cards to play. We can say we are Spaniards, Catalans or from Barcelona as it suits best...

JS: And perhaps something more. For instance, we are the capital of the Mediterranean, which is also important. This card will not always be played, but it can make us strong in some occasions.

FS: «We have a powerful brand but it lacks content. We have a great box but we need to fill it with industry, big companies giving job opportunities.»

So do you believe that it is compatible to combine different brands instead of concentrating all efforts on a single one?

RO: To me, this symptom is the first problem: we don't have a clear positioning as a brand.

Not knowing if we are the North of Spain, the South of Europe, the Mediterranean...

FS: When you go to Massachusetts, they tell you everywhere it is the state of technology, health and education. They say it very clearly: «Welcome to the state of technology, health and education.» What does this specifically mean? If I'm the state of health, the pharmaceutical industry perhaps will move in here. It's as simple as that.

RO: I think the definition of the brand is the basic principle. You define what the brand is, what positioning you want to have and place all support that is necessary. The definition needs to come first. Then of course come several companies being the flagship of this image.

JS: But if you find this same definition at different public and private interlocutors, it means that there is probably a certain agreement on the definition of the image to be shown. This is the case of Massachusetts, as it was that of Barcelona some years ago, when it defined itself as a city of trade fairs and congresses. Catalonia also needs to find its ideal positioning. A global jigsaw is being built and we need to know what our role is. Where do we fit in? Place the brand at the beginning or the end, it doesn't matter as they will probably go hand in hand. What is true is that a consensus will be needed, not only among public authorities but also in business.

LC: «In certain places, the Catalonia brand is associated with reliability. For instance, you go to Mexico and being Catalan, you have a reliable image other people from Spain perhaps do not have.»

FS: In **Massachusetts** they chose three ideas to project themselves, and there are many other industries. Perhaps the car industry didn't like that at all. But in a global world you need to be three things. You need to make the sad and painful experience of knowing what we are if we want to be relevant at global level.

LC: What I know is that within the United States, Massachusetts has not a developed tourist industry and they went for strengthening what they already had. Catalan industrial com-

panies are small in size, and there are not few of them, but they are small. What Ferran would like is that these companies become multinationals, and in this case they certainly would have their headquarters in Barcelona, not in Madrid or London.

FS: I believe health is an industry in which Catalonia can try to be leading in Europe. This is a tough and difficult choice as it needs to be decided and resources devoted.

JS: What happens is that a country needs to set priorities for its resources according to the country project it wishes to develop. I believe that the Catalan economy is very diversified, although some identification items creating a bigger consensus could be sought. But this doesn't mean that the remaining industries are doomed. We have tried to figure out which have a brighter future and there is one you mentioned: health. But there are others.

Ferran, when you put the Massachusetts example, you meant that choices need to be made, didn't you?

FS: It is the brand contents what we need to choose. The brand cannot be it all. Today we have a brand and its content is not being worked out as it should.



▲ Iago Esteve: In Catalonia, the ability of companies to reinvent is due to this entrepreneurial capacity.



▲ Jordi Serret: It would be important to introduce some self-esteem the business world does not use when going abroad.

LC: We have a very important asset in Barcelona coming from the MBA. When Spaniards take their degree, they usually go to London and Munich, but there are also people from abroad who would stay if they found an appropriate place here. We seized much talent in research recently, but if there isn't any in the industry where this can be applied, we are not closing the circle.

JS: «Perhaps in some Asian countries they do not know the Catalonia brand, but entrepreneurs can play with other cards like Barcelona, the Mediterranean or Europe. Generally speaking, entrepreneurs do not hide what they are. Instead, they use the Catalonia brand in those places where it has a meaning, a history and some attributes.»

In the case of Sita Murt, what role do the attributes associated with the company play?

IE: Sita Murt is a Catalan designer having different points of sale in Spain and one in Paris, the first abroad. She chose a specific quarter, Marais, as it fits perfectly the company. But coming back

to California, I would like to mention the Ikea case, where they live up naturally to their origin and give their products Swedish names without any problem and committed to their country and culture. It's an extraordinarily natural process.

I have the impression that Catalan companies are not really doing the same...

JS: In this case there is a very big identification between company and country. If we go out and ask people to name a Finnish company, they will be able to say Nokia but that's it. We have some with a very powerful identification, of course in sports, but I think we aspire to define what our assets are to create an economic model with a brand agreed by the majority. I don't know if it is beneficial or convenient to have just one company identified with the country.

FS: «It is the brand contents what we need to choose. The brand cannot be it all. Today we have a brand and its content is not being worked out as it should.»

FS: Spanair was a company about to close down one year and a half ago. And Barcelona, by means of its institutions and entrepreneurs, wished to have an airline, and after having it they said: «It's everybody's». The history of airlines is related with territories, sometimes it's positive, sometimes negative. For instance, Air France is a brand of pride for France. On the other side, one of the companies with the strongest growth in Europe and offering a good quality service is Turkish Airlines. It has a brand that is negative in Europe. They need to do weird things like sponsoring FC Barcelona and Manchester United and say they are the airline of the champions. This is how things are.

JS: Brand identification is important. If you don't believe in one thing, you don't like it and hide it, it's not worth working for a brand hidden in the cupboard. Self-esteem is very important and the brand needs to be adopted by those able to show it to the world, especially business. If things are like that, it will be more relevant; otherwise it will remain in the cupboard.

A leader needs to be loved. So do brands. Is this done spontaneously or are certain policies needed?

RO: Culture and brand often add to each other. The brand needs to be based on the assets of the territory and be professional. Doing a brand analysis, setting goals and have everybody take part in its creation. There also need to be companies echoing that. Right now, Catalonia is what it is thanks to Barcelona, Barça and Ferran Adrià. These are three brands adding a lot to it at international level, together with others like Costa Brava in tourism or Custo in industry.

What three intangible attributes do you think we should be able to associate with the Catalonia brand?

RO: A brand needs to be collaborative. Catalonia needs to show to the world its openness, that it is creative, with a distinctive lifestyle and personality.

LC: Creativity and innovation. Quality is also very important in both service and the product. We must not provide cheap but high-quality products. Also reliability, which highlights us at a global level and is an asset we have.

JS: It would be important to introduce some self-esteem the business world does not use when going abroad. When we are abroad, do we remember that there is a synchrotron or a supercomputer in Catalonia? If we bore these things more in mind it wouldn't be difficult to show that we are a developed society. Regarding openness, Catalonia is one of the most open societies among its neighbours. I would point out four things: own identity, entrepreneurship, creativity and talent. When you choose one you leave others out and you're sorry for it. So I take all four.

LC: I agree, but I'm afraid about the future of entrepreneurship.

JS: I still think this is a country of entrepreneurs and they need to be encouraged.

IE: To me, it was and still is a country of entrepreneurs. The network of small and medium-sized enterprises Catalonia has had historically is above average. And I believe that the ability of companies to reinvent is based on this entrepreneurial capacity, that is, taking up another busi-



▲ *Ramon Ollé:* Defineixes què és la marca, quin posicionament vols tenir i darrere hi poses tot el suport que calgui

ness in business. In this respect, I think there are outstanding examples. Also creativity and innovation. And then I would perhaps include perseverance, which I believe is a very Catalan distinctive feature. As a negative trait, our little self-esteem. We should take that famous sentence: «Don't think what the country can do for you but what you can do for the country.» We need courage in that.

FS: I think all attributes have been said. I was trying to write down the opposite, that is, what Catalonia is not. We are not Latin, we're serious people working. But we like aesthetics and design, so we come close to the Italians. We are not Madrid, we're a nation of Phoenician origin, tradespeople and open. We are workers but aesthetes and also open: the perfect blend of Spaniards, Italians and Germans.

***JS:* «We have to aspire to define what our assets are to create an economic model with a brand agreed by the majority. I don't know if it is beneficial or convenient to have just one company identified with the country.»**

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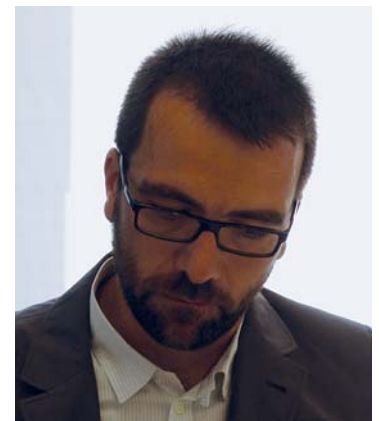
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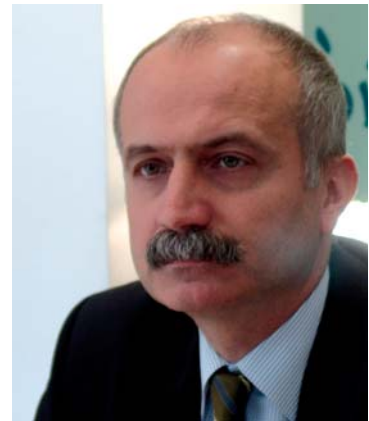


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