

Spain, a CULTURE Brand

From Altamira to leading brands



SPain, a CULTure Brand

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Leading Brands of Spain

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PROLOGUE

WE MOVE WITHIN A WORLD OF PERCEPTIONS. A WORLD IN WHICH PERCEPTION surpasses reason and determines our reality. Aware as we are of this, it is no coincidence that the brand concept—a name usually accompanied by a graphic symbol—aimed mainly at generating a perception often divorced from reason, has become highly relevant over the last few decades.

Furthermore, we are living in an increasingly competitive global economic environment which has caused the brand to be a fundamental element of company success, and it has undeniably become a key tool for commercial competitiveness.

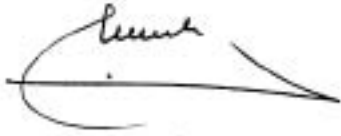
Although the brand concept might, at first, seem clear, there are many conceptual definitions to be found in the economic or business milieu, and especially in the marketing milieu. Without going into a string of different definitions, one of the foremost would be the one that sees the brand as *the distinctive sign which not only indicates that certain goods or services have been provided by one particular person or company but also one that, ever since the early part of the Industrial Revolution, has become a way of identifying those who use these goods or services.*

However, although this definition is a broad one, it does not go far enough as it fails to mention a fundamental aspect to be taken into account when talking about the brand. Specifically, I am referring to the fact that every manufacturer or producer, whether an individual or a collective, is part of a particular socio-cultural context which, with very few exceptions, is linked to a territory, a country. It is this aspect that has given rise to the idea of enhancing a concept of the brand that has not always received the attention it deserves. An idea which is rooted in the desire to emphasise the link between a concept which is markedly commercial in nature, the brand, with another that is markedly sociological in nature, culture. And it is precisely this link that has given rise to the idea of “a culture brand” that has inspired this book which I am proud to present.

This link is reflected in the reality of our historical evolution as a country and with regard to our brands. Artistic, industrial, tourism, services and technology brands that have played, and will continue to play, a leading role in the cultural construction of Spain’s image. From the primitive paintings in the Altamira Caves to the top Spanish brands of today, much has been done to help “Spain” become a brand worthy of prestige, a brand that speaks for itself for our industry, our trade and, of course, for our tourism. However, there is still a long way to go. Because of globalisation and the diversification of production, the existence of this Country-Brand is essential for associating goods and services to a guarantee of quality and prestige linked to its country of origin.

For this reason, as Minister of Industry, Tourism and Trade, I can only applaud and lend my wholehearted support to initiatives such as the one that has enabled the publication of this book, *Spain, a Culture Brand*, by the **Leading Brands of Spain Association**. I am convinced that this book, thanks to the painstakingly

detailed review of the role played by the brand in Spanish culture, will help, on the one hand, to give impetus to our country as a distinctive quality brand, and on the other, to show the high status and, in many cases, the clear leadership of a good many Spanish brands on the international stage. This is something that Spain must work on daily in order to make progress in a new world that is increasingly demanding and competitive.

A handwritten signature in black ink, appearing to read 'José Montilla', written over a horizontal line that extends across the width of the signature.

José Montilla Aguilera
Minister of Industry, Tourism and Trade

PRESENTATION

IN THE FIVE YEARS SINCE THE SETTING UP OF THE LEADING BRANDS OF SPAIN Forum (FMRE), we have been carrying out a series of initiatives to stimulate the internationalisation of top Spanish brands. We have also helped to create a positive image for Spain abroad, and therefore situate our country in its rightful place in terms of its history, effort and operational effectiveness.

The close link between the interests of Spain's top brands and her overall interests might, at times, seem distorted by the legitimate economic aims of the companies that own these brands. Yet we should remember that what is good for our companies is good for our country, and it is precisely these top-brand companies that act as an impulse for the economy and also for other brands that are trying to obtain a firm footing in foreign markets.

The writer and journalist, Vicente Verdú, speaks plainly in this book: "Although Spain began to rid herself of a good many of her complexes with the arrival of democracy, and she might even be said to have swung the other way entirely and become one of the most liberal countries in Europe, one would also expect her to lose her inhibitions in the promotion of her brands". And he goes on: "The Spanish State, now acknowledged as a political and economic brand that aspires to take part in the next G-9 Summit, needs to extend this ambition to promoting her top quality products on the global market".

Naturally, Spain has quality products and services that have made their presence felt in the competitive international market by projecting Spain's image, her lifestyle, her way of doing things: in short, her culture. And let me quickly mention here a multi-faceted added value for each of these achievements: the projected image includes diverse inspirational images (for example, in tourism, gastronomy or the culture industry – diversity is wealth), and the same thing occurs with life styles and cultures. This needs to be said, because it should be made quite clear that when entering international markets, organisation and co-ordination cannot involve any spirit of uniformity.

Therefore, leaving aside the specific interests of personal gain, all these arguments lead us to look on top brands as a basic strategic element when acquiring a solid foreign presence for Spain, a presence which will be beneficial to anyone who intends to be successful beyond our borders under the auspices of the Country Brand.

Guillermo de la Dehesa analyses the current state of the Leading Brands/Country Brand relationship and as well as reminding us that we are more suspicious of our image than foreigners are, he issues us with a challenge: "Spain's image needs to improve, as it does not mirror reality".

A group of authors, as diverse as our culture, has been assembled in this book to start a discussion on the role played by brands, a discussion which necessarily goes beyond the purely economic context to become part of the cultural context.

In the past, the responsibility for a country's external presence was held by institutions connected with the Crown or the Church. Today, the players are individuals and companies, and the role of the State is to support this presence.

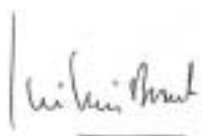
Our start-up capital is fairly substantial, as Mariano Navarro rightly points out when analysing what he calls “the art brand” and Fernando R. Lafuente who, in his forceful reasoning with regard to the strategic value of the presence of the Spanish language in the world, reminds us of what the Mexican author, Alfonso Reyes, wrote in 1915: “If speaking Spanish can never be an advantage in literature as well as in trade, our example will be the most shameful example of ineptitude ever displayed by the human race”. But we might rid ourselves of this risk if, as Fernando R. Lafuente states, we are witnessing “the first time, in Spain's turbulent history, that the invisible triangle formed by the creators (through the culture industries), public bodies and private companies, is taking shape outside her frontiers”.

Expanding even further our theme regarding the prevalence of private initiative in our projection abroad, Covadonga O'Shea writes about the “new Armada”, a term used by the international fashion media to denote a select group of top Spanish fashion brands which have (this time) successfully overcome the obstacles encountered on their way. And the old windmills to be found in Don Quixote, whose anniversary is being celebrated at the time of writing, have been technologically overcome by a Spanish company which is currently the world leader in the promotion of wind energy, we learn from Carlos Bustos, who also reminds us that we possibly boast the world's most technically efficient company in the highly complex textile sector.

Lorenzo Díaz also lauds our diversity when he states that “Spain has never possessed a gastronomic heritage. This peculiarity makes us unique. We have the most diverse dishes imaginable”. And he goes on to say that “Spain is the best situated country in Mediterranean culture to become a quality brand image with regard to gastronomy and wine world-wide”.

In the same way as with gastronomy, tourism is enriched by the diversity we can provide to those who visit us. Esther Eiros emphasises the important role of tourism, not only as an economic driving force, but as a major player in the projection of Spain's image. This is a sector in which the excellence of our tourism companies attains a strategic value, whether inside Spain with the tourists who visit us, or its activities outside our frontiers.

In short, this book aims to analyse this Country Brand/Leading Brand relationship, to include all its many diverse perspectives, from their intellectual base to the area of activity they are carried out in. Today, five years after the setting up of the Forum, our aim is to stimulate discussion with regard to the strategic importance of our brands in the projection of Spain's image and her culture. The opinions contained in this book are as diverse as the authors expressing them. If they have anything in common, it is the desire to make an effective contribution to the task of improving Spain's presence and image in the world.



José Luis Bonet
Chairman, Leading Brands of Spain Forum
Chairman, Grupo Freixenet

THE LEADING BRANDS OF SPAIN FORUM

THE LEADING BRANDS OF SPAIN FORUM (FMRE) IS A BUSINESS INITIATIVE THAT was born in 1999 when a group of 17 leading Spanish companies became convinced of the need to set up an institution in which the Administration and Industry would work together in the search for a common objective: the development of Spanish brands as intangible assets of a strategic nature for the companies themselves and the internationalisation of the Spanish economy.

Thus the Leading Brands of Spain Forum was set up with certain defined objectives:

- To promote public and institutional recognition of the strategic importance of brands as basic intangible assets for the competitiveness of Spanish companies.
- To study and propose initiatives, regulations and public measures aimed at the legal protection of the industrial property rights of well-known top brands in the various contexts of state, community and international decision.
- To study, propose and disseminate measures of all kinds aimed at promoting the external image of Spanish companies and products through the international placing of its brands.
- To disseminate the experience of internationalisation of companies with brands that are sold abroad, so that these companies can serve as a model for the rest of Spanish companies.

Today, the Leading Brands of Spain Forum is a firm reality thanks to the participation of the Ministry of Industry, Tourism and Trade, the *Spanish Institute for Foreign Trade* (ICEX) and the *Leading Brands of Spain Association* (AMRE) representing 71 companies that market the foremost top brands in Spain.

As well as representing its member companies, the importance of the FMRE is shown by the fact that Leading Brands of Spain are the natural ambassadors of Spain's image abroad, as well as the "driving force" for the rest of Spain's companies that are breaking into the foreign markets.

The figures of the member brands of the Forum speak for themselves:

- They represent 26% of the GDP.
- They provide employment for over 800,000 people in Spain.
- Their foreign business is an average 35% of their total business.

The Forum has a twofold structure: a company Association (AMRE) made up exclusively by the companies; and a Foundation made up of the AMRE, the Ministry of Industry, Tourism and Trade, and the Spanish Institute for Foreign Trade, The Ministry for Foreign Affairs and Cooperation, and the Spanish Patent and Trademark Office.

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I

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Innovation and tradition

THERE'S NO BUSINESS LIKE TOP BRAND BUSINESS

A BRAND MAY THESE DAYS COME TO BE LIKE AN IDEOLOGY, A BELIEF, A COMPANION or the representation of a life-style. Its relevance has grown so much over recent years that the brand itself, its symbolism, has come to be worth several times more than all the material assets of its corresponding company.

In this way the brand acquired the initial majesty of the creator or the enchanting power of a painter or distinguished architect's signature. Firstly, the brand is the enhanced link between the "workshop" label and the original stamp, but also going beyond that to a level that defines the new shape of the world and the new phase in the economic and social system. This phase began in 1989 with the fall of the Berlin wall, and I defined it in my book, *El estilo del mundo* (Anagrama, 2004), as *fiction capitalism* because therein the system of images, emotions, reminiscences or special effects have acquired the theatrical importance that is due to the increasingly frequent replacement of material wealth with the symbol, the opaque with the transparent, the slow with the instantaneous and reality with a second or two-fold reality arising from the omnipresent and constant universe of fictions: "realistic" fictions such as brands.

How are we to perceive our cities, our appliances, our lives today other than in the context of a branded world? The new *fiction capitalism* of today flourishes in a setting beset with brands, but even nature, with its colours and fragrances, is beginning to become branded. Already the ripple of a wave, the shape of an ice crystal, a snow-capped peak, the flavour of mint, the blue of the Aegean, the Tunisian desert or starfish have been patented, so that when any of these elements is used, copyright comes into play. Thus, as reported by the Stone Project of Getty Images, the world, in its spontaneous manifestations

1

Setting the scene



Vicente Verdú

(for example, dusk, rain, a volcano) will be promoting the car, mineral water or computer company that has associated its brand with these images.

The historian, Daniel Boorstin, has said that thanks to the advertising of commercial brands, North Americans live “in a world in which fantasy is more real than reality”. He goes on to say: “We risk being the first people in history to have been able to make their illusions so vivid, so persuasive, so realistic that they can live in them”. He probably was not exaggerating. Many of the new youth magazines in the United States have turned into catalogues, and catalogues into news magazines. This type of printed product, carried to its extremes, has come to be called by Americans a *magalog*, a fusion of *magazine* and *catalog*, because they include articles on yoga, restaurants, sport, culture, sex and the weather while constantly alluding to the brand.

This fusion of the information media and catalogues reached its peak with the link between J. Crew fashions and a teenage television series called *Dawson's Creek* in January 1998. “Not only”, said Naomi Klein (Picador, USA, 2000), “did all the characters wear J. Crew clothes, not only did the windswept, nautical set make them look as if they had stepped off the pages of a J. Crew catalogue, and not only did the characters spout dialogue like ‘He looks like he stepped out of a J. Crew catalogue,’ but the cast was also featured on the cover of the January J. Crew catalogue.” Where did the series end and real life begin? Where was the dividing line between the natural and advertising? Everything oscillated inside the world of “the here and now”, either fictitious or real.



We do like driving a BMW, but it is more than just the pleasure of driving. A BMW provides us with stature, an appearance of good taste.

The enchantment of the world

Although society underwent a stage of disenchantment as a result of the triumph of rationality applied to the social and natural ambit, the world has become enchanted again through the good offices of the ideological and practical universes sponsored by the new development of brand names. It is the well-known brand names, as much as or more than any politician, priest or intellectual, that today form our ideas, cheer us up, pressurise us, provide us with experiences and surprises, and “decorate” our lives.

Western life is marked by, and follows, vocabulary loaned to us by brand names. We no longer say that we are using a paper handkerchief, but a Kleenex; we don't have just any coffee, but a Nescafé; we don't wear a common or garden raincoat, but a Burberry; we don't have a hamburger, but a Burger King; we don't order a beer, but a Heineken; we don't eat a yoghurt, but a Danone. Soon these names will lose their capital letter, the same as with names of trees or animals. Thus, there will be no point in trying to charge for them.

A frequent phenomenon in films or TV programmes is product placement, whereby brand names are visible in the scene, but brand names are now also appearing in music videos and song lyrics. The rap group, Busta Rhymes, transformed their hit, *Pass the Courvoisier*, into an effective campaign for this French cognac. Other rappers, such as P. Diddy, Ja Rule and JayZ have spread the names of Adidas, Cadillac, Prada, Louis Vuitton, Bentley or Cristal Champagne in return for money, and in October 2002, the Def Jam label signed a mega-contract with Hewlett Packard to propagate its logos through their records and videos. And so, to denounce the appearance of a brand in the recounting of something real as being “hidden” advertising does not make much sense today, as it would be reality that is “hidden” if it is not named.

Brand names, in this new era of *fiction capitalism*, are therefore no longer rubber stamps on real life to become elements in its scheme, its narrative or

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its soul. Music, with its strong references to the intangible, spiritual or magical, has been increasingly used in recent years by brands to create an environmental wrapping which acts as a nest of identity and warmth. Even Armani, which seemed to have it all, has yielded to the idea of expressing its culture through a CD. It had been done before in Italy by Dolce & Gabbana and Alberta Ferreti and this trend was instrumental in the decision to record an album called “Emporio Armani Caffè” in collaboration with Sony Music, which has been available since the end of June 2003.

The record—a mix (and what isn't these days?) of Far Eastern melodies, à la Bollywood Brass Band of Bombay, and Mediterranean material, such as Antonio Infantino's “Tarantina”—can be found in large stores everywhere and heard in Emporio Armani stores all over the planet, as if it were a continuous musical loop, in the style of the signature tunes used by certain airlines, with mind-numbing repetition. Or also in the style of the aromas that certain brands choose for their premises, based on their own lines of perfume, or the universal air freshener spray that standardises with a similar aroma all Starbucks cafés, so that one is left in no doubt that one is inhabiting the interior of a single concept, a single body, a single womb, a single brand.

Code and codex

A brand is not a factory, or a piece of machinery, or an inventory, or a piece of high technology, a patent, a slogan or a logo: it is much more than that. Not even the product is the brand, because the brand is to be found not in a particular material space, but in the mind. The product and its spatial property can augment or reduce the brand's reputation, but it is not in itself the brand. Not even the entire human and material resources making up a company can serve to define a brand. If Coca-Cola were to dismiss all its employees, sell all its real estate, break all links with its advertising agencies and cancel all its contracts with the bottling plants, it would still have something of immense value: the brand name. The fixed assets of the Coca-Cola Company were estimated to be worth 7 billion dollars in 2000, while experts calculated the brand value to be worth 84 billion dollars. In general, in the new fiction economy, intangible assets are much more important than buildings and machinery.

Herbert Baum, the President of Campbell's Soup said in 1996: “When you look at our balance sheet, you see right through the cash, accounts receivable, plants and equipment on the asset side, to our brands. Our brands are the real assets we own. Without them, we have nothing”. The Nike logo, non-existent just over 15 years ago, is currently recognised by 90% of North Americans and hundreds of thousands more all over the world. The race for universal visibility run by the Nike swoosh has been so fast that it could become as popular as Coca-Cola, while the Coca-Cola logo is already another rendition of the American flag the world over.

In 1830, when Alexis de Tocqueville made his visit to the United States that was to give rise to his *Democracy in America*, he clearly understood that her increasing democratisation and consequent disappearance of signs of class distinction would some day call for the appearance of “other signs” to determine people's statuses and styles. Although the BMW slogan in Spain is “Do you like driving?”, one has a BMW not just for the pleasure of driving, obviously. Indeed, we do like driving a BMW, but it is more than just the pleasure of driving. A BMW provides us with stature, a sporty feel, elegance, reliability, an appearance of good taste. The brand is expressive without saying a word, because



Western life is marked by, and follows, vocabulary loaned to us by brand names.

it addresses the imagination and thus has greater penetrative power and an immediate effect.

Even with the most common or garden products, for instance yoghurts, a brand name such as Danone refers not only to the product quality but also to the highly covetable health of the young body and the beauty of health. The Apple brand evokes something more than just computers, as it invites its users to ‘think different’. Ralph Lauren not only sells clothes and colognes with its logo; it markets tins of paint and endless accessories because, with all these products, it is offering a bonus that goes beyond the article. Similarly, Absolut is not just the name of a vodka, but an aesthetic element, a personality, a way of being. Gucci has launched dog carriers and Virgin, after being involved in records and radio stations, a travel company and a cosmetic collection, has founded a life insurance company with the same stamp of youthfulness and friendliness. Starbucks or Adolfo Domínguez have traded on their credibility as international chains, with glamour and design, to sell furniture and items for the home. The delightful Donna Karan sells not only clothes and perfumes, but also “delightful” mineral water. Paul Smith has added “responsible toothpastes” to his classic fashion lines. And Calvin Klein has gone so far as featuring the name on bags of popcorn for the cinema, making it something more than just popcorn.



Any brand, once it has been sanctified as a brand, can lend its name to almost anything.

The value of loyalty

Any brand, once it has been sanctified as a brand, can lend its name to almost anything, regardless of whether its human creator is now dead (Yves Saint Laurent) or whether its original product has moved on (Fontaneda). Even the German Intelligence Service, the BND (Bundesnachrichtendienst) sells watches, pens, golf balls, mugs, ashtrays, liqueurs, jackets and underwear, stamped with its imprint because a brand name incites a whole world of ideas and emotions that can be projected onto other areas and create new territories.

All this has been possible because the brand has in fact operated as a sort of magic wand and its intangible quality has a power that has become instilled everywhere, rather in the manner of a holy spirit of the system, with the ability to transform products into something incomparably bigger than their form or function.

Thus, relating to certain brands is opting for an outlook on life; the brand not only tattoos us with its logo, it also provides us with an aesthetic, ethical and practical opportunity that we can use as willing accomplices.

Once we have put our trust in Zara clothes, Zara glasses, Zara shoes, Zara sheets, it is only natural that we will look for any type of item in the next shop to open. Becoming involved with a brand produces a close relationship of trust with it, it makes one's choices easier, it facilitates wise choices, and gives one a sense of familiarity. The brand provides us with a guarantee and we provide loyalty; the brand builds us a reliable cocoon, and we pay for it with our regular custom.

Products may change while the brand stays the same, because it acts as a venerable halo, a matrix that has taken shape in the inter-relationship between the product and its faithful customers. Good businessmen know, in fact, that their best asset is customer loyalty which is responsible for renewing their trust in the firm again and again, whether related to goods or services, because in fact 20% of a firm's active customers ensure 80% of its profits.

“For a long time, manufacturers have looked on brands as a source of income, but the real source of income”, says Larry Light, the well-known

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brand thinker, in *The Fourth Wave: Brand Loyalty Marketing* (Coalition for Brand Equity, 1994), “is brand loyalty. A brand in itself is not income. Brand loyalty is income”. Indeed, the brand establishes an unwritten contract of intrinsic value with its customers, with its logo promising good service, a presentation of credentials, a reputation, a collection of memories —is short, something more than the sum of all its parts.

THE LATEST NIKON ADVERTISEMENT (“AT THE HEART OF THE IMAGE”), IN Spain in the summer of 2004, had an eye-level photo of a public mound in the horizontal position. “La más hermosa de todas las firmas es aquella que usted crea” (The most beautiful of all signatures is the one that you create), it said at the bottom, and in the top left-hand corner was the copyright symbol next to the word “Me”.

In the past, the brand had us marked down as acquiescent cattle, but now it invites us to live alongside it and share its doctrine or, as they say, its “culture”. The Kas advertisement asking “Who do you belong to?” represents a vestige of consumer capitalism. In the current era of fiction capitalism, the brand does not intend us to be its hostages or that we enlist in its ranks, it does not want us to be Kas guys or Evax girls; it offers each one of us the chance to be more oneself, through the brand. “In an increasingly globalised world, you should stand up for your individuality”, say the Lexus copywriters. “Nobody dictates your fashion”, state the c&a stores. “Don’t imitate, innovate”, advises Hugo Boss. “Because you’re worth it”, says L’Oréal. “Now, you”, says Coca-Cola.

But also, since the end of 2002, major luxury brands such as Chanel, Vuitton and Dior have been selling their products with a much smaller logo, or even no logo at all, to give the buyer an opportunity to personalise the garment with a series of adornments that alter its original appearance, but which are also marketed by the firm in line with a widespread system of “customisation”. Thus, everyone supposedly decides on their own image, within the context of *egonomy* which has been defined, since the 1980s, as the driving passion to be unique within the unbearable culture of the masses, with the resultant paradox that the idea of individual uniqueness has become the mass phenomenon of our era.

In this context, brands, the providers of ideas, inspirations or styles offer a supply option for the shaping of our enjoyment or the illusion of our Ego, or our supposedly exclusive look. And this is also the poetry of advertising today.

The ego/brand

The firm is us; our image gives credibility to our Ego; it represents us in the same way as the brand with the product and aims to act as a guarantee. The parallelism between the two, the correlation of personal identity with brand identity, is in the end the basis of the system of representation, fiction and appearances today.

At this stage of branding evolution, people easily look on brands as if they were people and people as if they were brands: Nivea is a clean, maternal woman, Apple are great guys, Johnnie Walker is a rake, Mercedes is a rich grandmother, Volvo the perfect gentleman. Brands no longer act as blank dies and are now taking on a life of their own and becoming closely related to the public. Often the brand aims to “become flesh”, to cross over from the world of abstract concepts to the public, from the universe of concepts to feelings. Indeed, there is a need to have a brand concept to play a part in its labour, but its actu-

2

*The ego, us
and the characters*

ZARA

al delivery, its birth, is registered when it metamorphoses into a living being or individual whose category communicates with human beings. There are even brands that have been personalised into physical people —Bill Gates has always contributed to the Microsoft image, while Walt Disney, when he was alive, contributed to the Disney image and Ted Turner, CNN. Just as Ruiz Mateos did with Rumasa, Lula with Brazil or Armani with Armani.

Furthermore, in research that uses group interviews or meetings, it is plain to see that consumers assign attributes in human terms to brands, and the interaction in these sessions influences purchasing decisions, either by reinforcing them or else diminishing them. Brands speak to us, evoke, mimic and accompany us. They are like living things that live by being part of our society.

But even we are like brands in this overall culture. In fact, Future Brand, the consultants that created brands in Spain such as Terra or Admira, conducted some social research throughout Europe one or two years ago which concluded that, among other things, a good many young people saw themselves as brands (*El País*, 9-6-2002). Brands have undeniably contributed as providers of attributes, signs that characterised users, defined their status, their political leanings and even how they loved. We are branded beings inasmuch as a portrait can be made by compiling the elements of our various (brand) choices, but we are also a brand inasmuch as we are characters making up the (employment, sexual or moral) market. Brands identify us and we are people/a brand. “We are brands and brands are us”, says Getty Images in its blurb.



Even we are like brands in this overall culture.

Remarkably, Brand-DNA is the name given to denote future cases of children who will be designed with just one particular gene to produce a human being with specific characteristics and properties, in the same way as with products that have been manufactured up to now. Production capitalism (1870 to 1960) was only able to produce lifeless merchandise, but the new *fiction capitalism* technology can produce living things, from farm animals to babies, in the hope that they will become successful brands.

Being a successful brand, having a top name, seems to be an obvious requirement for people who earn their living from the prestige of a name, but it is also beginning to be so for almost any member of the public who seeks to be represented or noticed in the media, television or video, or any type of screen.

This is very clear to see in the case of the Internet, where anyone can have a website and exhibit oneself —as many already do— as a product for entertainment, curiosity or companionship. The more hits a website receives, the more successful the brand will be. The more the product is requested, the more it is worth, and the greater the guarantee of interest proclaimed.

A closely kept secret is represented on the Internet. On our website, we appear not as employees of a particular firm, or civil servants from a particular ministry, but as unique brands. Our brand is our badge of individuality and intelligent effort and attention are devoted to working on the value of our own brand. The defining of each of us, regardless of our qualifications or employment, our individual worth, regardless of our personal history, ideally comes to us through the sorcery introduced by the new world of brands.

It is not educational background and qualifications that define the current potential of a person, but rather his power of communication, his empathy, his imagination, his versatility. This is a representation of identity that aspires to be constructed through the promotion of an Ego that may be defined by the way we present ourselves in emails, how we talk on the phone, appear on

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our webcam, and so on. And, at the same time, the key aspect in any personal branding campaign is, as in the increasingly prominent new advertising of our time, word of mouth. That is to say, it is the spreading of information, the preference or tendency promoted by means of guaranteed trust between people: people for whom the highest priority in advertising is the brand, while they are themselves brands that one may believe in.

This relationship between brands and people or characters and brands has grown so close that people in the United States have begun to give brand names to their babies. In 2000, Cleveland Evans, a professor of psychology at Nebraska's Bellevue University, who has studied the changing trends in babies' names over the last 25 years, found instances of baby boys and girls being given the names of L'Oréal, Chevrolet or Armani. There were even two baby boys, one in Michigan and the other in Texas, who were called ESPN, the initials of a US sports channel. Of all the economic sectors, it was the automobile sector that provided the most names, to the extent that 22 girls were registered with the name Infiniti (a Nissan model) and 55 boys with the name Chevy (Chevrolet). As for the clothing sector, 300 girls were called Armani, seven boys Denim and another six, Timberland. A further half dozen boys were given the name of Courvoisier (BBC News, 13-11-2003).

When it all boils down, the aversion felt until recently to being considered an object is no longer so great. Advertising has made objects a value to follow, and as if that were not enough, brands have personified us when it seemed they used to reify us. To put it another way, the brand is the dividing line between the individual with no attributes and the person. Being seen as a person by others means having been treated courteously and amiably. Being just an individual is practically nothing when speaking exclusively and specifically. Attaining the category of a brand is crossing the line of anonymity and embarking on the road to personification.

Latest tendencies in marketing even talk about the death of the brand and the birth of the "identity", whose concept would mean something more intimate and human. A sustained identity lengthens the life of the brand and spreads it everywhere; it causes the brand to be introduced as an everyday element and become part of the people or the Ego. "That is you?" says Mont Blanc about its products.

Names that think

In the midst of the growing personification of brands, there are some that are considered to be friendly, others cold and aloof, and still others that are exciting, young or daring. What marketing experts have deduced is that in the end, every brand may be analysed as if it were a living being. The brand rates itself in terms of the name, presence, language and performance of the brand, and is judged in terms of how it is rated by everyone else. The condition of "living being" enhances one way or another any action and makes the boss and marketing experts responsible for how it performs in line with the requirements of the audience, through the implicit development of a script that is acted out for the customers (and competition). Although there are many types of advertisement, among those that have lasted longest are those in which the brand has really been "personified", such as the Michelin man, the Cola Cao negro, the Norit lamb or the Esso tiger. This also applies for the choice of certain models or actresses who have humanised perfume products, such as L'Oréal, Lancôme, Vichy, Lacoste, Gio, Chanel, and so on.



People in the United States have begun to give brand names to their babies, such as L'Oréal, Chevrolet or Armani.

With the non-acceptance of unsolicited advertising (between 500 and 800 instances a day) by consumers and associations such as Adbusters, advertisers are looking for humanitarian and ideological motifs of complicity to make their message indistinguishable from messages of other-globalists, as Gap or Nike have done on occasions. Indeed, some advertising agencies have decided to put forward an “urban guerrilla” approach to brands, imitating the actions of subversive groups that breach the norms of the city: for example, to alert drivers in New Zealand of the risks of speeding, the Colenso BBDO agency devoted itself to sticking flyers showing a woman’s bleeding face on the wind-screens of cars parked in an underground parking lot. Similarly, the TBWA Paris agency placed life-size stickers of pedestrians supposedly run over by cars on zebra crossings.

Thus the idea of “urban guerrilla” advertising expresses the aim of fusing advertising with ideology and of introducing the message system to public opinion at the right time.

For example, to respond to complaints about selfish individualism, advertising has issued calls for solidarity and in the last Cannes Advertising Festival (June, 2004), Volkswagen presented a spot in which every new owner of this brand of car became a member of a very close family. Furthermore, a long time before, in 1990, at a convention in New Jersey, the Body Shop had introduced itself to the North American market, not by exhibiting creams or lotions, but with images of the fall of the Berlin Wall and the opening of the East to the West. Body Shop staff were shown as public employees contributing to the reconstruction of East Berlin through direct or indirect works, painting buildings or looking after children, just like a humanitarian organisation would.

The over-riding idea is that the brand should treat us as human beings and that it should itself be human. Lynx, for example, at the 2004 Cannes Festival mentioned previously, showed in its spot the itinerary of a couple who were looking for the clothes they had discarded in a bout of passion, leading finally to the place they first met, a supermarket. In this way, the brand is an accomplice to a romantic, young, spontaneous, delightful, ideal passion.

In short, the way to respond to the distrust caused by traditional advertising is to subtly look on the consumer as an accomplice and not a customer, as a close friend and not as an anonymous member of the public. Personalising is the most effective form of affection. This is the lesson learnt by the brands, in which inference is worth more than reflection, the heart more than reason.

The modern advertisement does not, in fact, urge one to consume this product or that product; it only informs and tries to be pleasant, amiable or clever. The important thing is to take the pips out of something interesting and then gather the fruit. Nowadays, no significant advertising bothers with the features of the merchandise: that is too old-fashioned, literary and boring. All merchandise is good and worth having by definition: the important thing is the idea that the merchandise particularly carries with it. “This is not a car”, says Volvo. “It is an ideology.” “Apple is not about bytes and boxes, it is about values”, says its creator, Steve Jobs.

The customer who has had plenty of experience of advertising in consumer capitalism no longer accepts propaganda, but he does accept the intrigue, intelligence and mystery of a brand. Today, a good many car advertisements do not show the car, nor do fashion advertisements show clothes, bags or shoes. The advertisement has broken free of its commercial trappings and acts as a



Cola Cao is the market leader in cocoa drinks in the People’s Republic of China

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creation in its own right directed at targets who are at the same time looked on as artists. What is the meaning of the Adidas advertisement expressed in the three stripes on the bare foot of a child in a Brazil shanty-town? The effect belongs in the realms of poetry.

Thus, no contemporary slogan can urge one to buy this or that item: people are fed up with spending money. The item must be offered as a gift, with a price as incalculable (and unpayable) as an idea. Thus, each purchase will represent not so much an outlay as a deposit. A deposit of an item and a deposit in a non-mercantile trans-reality. Contemporary fiction marketing has understood the rejection of ugly materialism, has accepted the discrediting of consumerism, the fact that outrageous spending is in bad taste, and has consequently established a strategy of a superior order. The important thing is not the item but its soul. In short, it is not about selling an item but about introducing us into the world of the firm.

Whereas in production capitalism—from the late 18th century to the end of the Second World War—the important thing was the merchandise, and in consumer capitalism the important thing was what other people said about the merchandise, in the current system, it is the item that speaks to us. Coca-Cola speaks to us of cheerfulness, Volvo of safety, Nike of a complex, the Body Shop of ecological awareness, Dewar's White Label of the cult of the individual, while Levi's represents American independence, liberty and democracy. The creeds of religions or political parties have been replaced by this collection of readily available and accessible values. Any one of these brands appears not just as a company name but as an ideological construct. General Electric introduces itself as a charity that aims to improve life—"Bring good things to life"; Merck laboratories are here to improve the human condition—"We are in the business of preserving and improving human life"; Diesel states, "Love is now sponsored by Diesel". Brands occupy the earth as if they had come from heaven or bliss: the brand aims to be a piece of our happiness, to love us and be loved, to be encapsulated into a *lovemark*, according to the wishes of Kevin Roberts, the worldwide CEO of Saatchi & Saatchi.



IF YOU HAVE A GOOD BRAND, YOU HAVE NEARLY EVERYTHING. IT DOES NOT matter much what it is. Universities such as Harvard, museums such as the Guggenheim, clinics such as the Ruber, insurance companies, authors, actors, sportsmen, are all either good or bad "brands". Countries, towns and barrios all strive to promote their respective spheres of influence and gone are the days when marketing was related to physical items: independent bodies, religious orders or football teams are now assessed using procedures with the same basic idea and are judged on the same criteria.

France, China, or Spain are brands that we inhabit, and each one of us, each institution and company in a nation exists to a greater or lesser extent in terms of how universally acknowledged our flag/brand is or the background of its name. Possessing a top brand is to be the owner of a key element in the current stage of this system of fiction. It means having an ideology or a myth to exchange or overcome.

A brand, then, is as decisive as it is intangible. Or as the new marketing manuals state: a brand is a sort of *no-thing*. A no-thing that, through sublimation, is turned into a mythology, style, emotion and customer loyalty and adherence.

3

The value of the plot

In short, the brand has become so important for companies that Harry Beckwith, in his famous book, *Selling the Invisible* (Warner Books, 1998), said: “Marketing is not a department. Everyone in your company is responsible for marketing your company”.

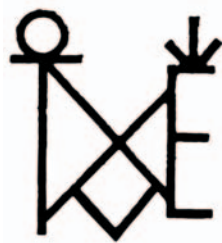
Thus the brand is no longer just another element in the business; it has become the centre of the business and even the business itself. Significantly, Tommy Hilfiger has shown that you do not get a brand from items, but rather the other way round: items come from the brand. Indeed, Tommy Hilfiger devotes much less effort to the manufacture of clothing than to the promotion of his name, because his “real” commitment is to forming his image, “making it real” so that it operates as an active element in the imagination and life of his potential customers. What about specific merchandise? Jockey International makes Hilfiger underwear, Pepe Jeans London makes his jeans, Oxford Industries makes Tommy shirts and the Stride Rite Corporation his sports shoes. “What does Tommy Hilfiger manufacture? Absolutely nothing” (Naomi Klein. Picador USA, 2000). Or to put it the other way round, Tommy Hilfiger produces something of absolutely everything. Because, for the last twenty years, it is not the item itself that has value, but the brand: “Your brand is not part of your business. It is your business”, says Daryl Travis (Prima Tech, 2000). In fact, many of the most successful companies in the world are currently offloading their tangible assets in order to orientate themselves towards investing in intangible assets, the most important being the brand. Thus, in some parts of the world, Kimberly–Clark has sold large paper-manufacturing plants to concentrate its attention on the special development of brands such as Huggies and Kleenex. These are extremely valuable brands made up of fantasy, founded on the firm base of the imagination and not on the fragility of material structures.

The brand orientates the consumer with regard to the quality and conditions of an item, but, above all, it is there to create an illusion. The brand provides identity to a company’s products, but it also provides the customer, and almost certainly its country of origin, with a style of its own to mark it out from all the rest.

A matter of life or death

Is there a similarity between the brand and an artist’s signature? It is more than that, but just as the Chinese still sign their writing and works of art with a stamp, the first brands in history were conceived as a sign, a sort of imprint left by the author on the pieces he was handling. This is how the first brands came about, as signs engraved on stone blocks to help the stonemasons for building in ancient Egypt. But back then, at a time when architecture was yet to be considered an art, the stones were marked only to simplify their assembly on site. It was only later that these notches were to indicate the workshop they came from, thus determining their value depending on the skill and reputation of the craftsman. The signature completed the manufacture of the product as it “gave it its value” to a greater or lesser extent.

In the British Museum there are hundreds of Egyptian, Greek and Roman clay amphorae, going back to before 7000 BCE, which still have the mark of their makers on them, but also later, in the Ancient Era, exports of wheat, oil or preserved fish had the marks of the producer and merchant on their containers to give information on the value, guarantee and quality of the content.



Thus the brand is no longer just another element in the business; it has become the centre of the business and even the business itself.

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In the early days of consumer capitalism, brands were to become relatively insignificant, but they have since taken on great relevance and have been transformed into attributes that are not only important but also indispensable, as choice has grown and the market has become more crowded, giving rise to an avalanche of goods and services that are hard to tell apart.

It is estimated that 3,000 products a year pass through North American supermarkets alone, and some 6,000 new names are registered in the same period. For the customer to find his way through this log-jam, or for the producer to contend with the competition as far as prices, free gifts and promotions are concerned, the brand has become a necessity, as has an increasingly sophisticated approach which will safeguard the strength of its identity and its appeal.

The brand always had its value, but it became a decisive value, a matter of life or death, at the end of the 20th century when there were over 200 types of lipstick and some 750 models of car to choose from. In these circumstances, a famous brand architect, Scott Bedbury, wrote in the August/September 1997 issue of the journal, *Fast Company*: "In an age of accelerating product proliferation, enormous customer choice, and growing clutter and clamour in the marketplace, a great brand is necessity, not a luxury". In other words, for someone to flourish in these times (or not go under immediately) he needs to invest not in the tangible, but in something relatively magical or elusive which will offer a spiritual and emotional extra to any new product that is looking for approval in the labyrinth that is the market.

Inventing a singularly useful device is not enough to ensure its success. For some years now, the device has had to work both in practice and in the world of ideologies and feelings. It needs to combine functional utility as well as an added special emotion. And that's not all: the functional quality of a product began to be taken as read some time ago and now the decisive thing is not so much the resistance of a tyre or how much calcium has been added to milk, but its "moral" or "emotional" intangible, often to be found only on the container.

The modern brand is a compound of technique and art, but as a whole it has become a sensitive and cultural force that provides the customer with an experience that is different. A difference that, in a market place that is overwhelmed with offers, is easily visible.

When, at the end of the 20th century, studies on the value of the brand were fashionable, there were some marketing experts who forecast that it would be a passing fad. However, that was not to be the case. The number of journals devoted to brand marketing is constantly growing and it might be said, as Aaker and Joachimsthaler state, that in the 21st century there are very few topics that attract the attention of the community of managers and management gurus as much as the value of the brand. During this time, sector after sector has discovered that brand recognition, the significance of the name, customer loyalty and perceived quality are essential mainstays for competing successfully in the market place.

Certain organisations, such as airlines, universities, health bodies, industrial suppliers in the petroleum sector or firms related to information technology have only recently discovered the brand. But there are others, in the financial services, food, motoring or household appliances sectors, who have concentrated on revitalising their brands with dynamic management systems which managed to adapt to the overwhelming changes occurring on the competition stage. (Aaker and Joachimsthaler. *The Free Press*, 2000).



The thrill and the fragility of the conquest

According to the experts, there are two primary brand objectives today: the first is to simplify the decisions of the customer, to clear up any doubt he may have between two identical products by influencing his irrational taste; the second is to conquer him, make him loyal to that item, as if the development of his personal choices acted as an organic factor of identity.

The brand broadcasts itself and leaves behind it the trace of a heady perfume amongst its customers that will keep them loyal to it. This addiction does not need to be seen as a sly manoeuvre; very often, the relationship with the customer is like a social or family attachment and a quasi-religious conversion in which one's faith in the merchandise is constantly renewed.

Naturally, this type of tenuous link calls for special vigilance. A close, constant watch by specialist marketing departments on the intimacy of relationships with the logo, as well as its role in the fantasies of the user and its changing circumstances: its interaction with social values, changes in fashion, interests, localisation, profitability. A complex job which has become a singular genre of action and management: the production and management of the invisible.

The Microsoft brand, just the brand, was estimated to be worth 56,700 million dollars in June 1999. When Philip Morris bought Kraft for a figure worth six times its real value, it was merely paying for the brand. This invisible sum, which cannot be seen in any place, store or safe, is however strongly reflected in the firm's share prices, and therefore in its day-to-day life. A well-known firm, Equi Trend, has conducted 2,000 telephone interviews since 1989, and drawn up an annual league table of 133 United States brands, showing the strong correlation between the value that can be attributed to the brand and the return to shareholders.

Interbrand, a firm whose mission is to assess brand values, calculates that of the 60 top companies in the world, nine have a "brand value" that is worth over 50% of the total value of the company, its installations, land, patents, machinery and technology. But there are others, such as Ikea, Nike, BMW or Apple that have had a brand/value ratio of over 75%. In spite of the arguments that, at least in technology, the customer is guided by rational considerations, in practice this is not the case and Apple, for example, has provided its customers with something even more important than its functionality: its charisma. And yet this is not something that is easy to maintain. Business history is full of examples in which the brand has increased or stupidly lost its value, the latter because of serious errors, the former because of ground-breaking ideas that have improved its "vital energy".

Long gone are the days when the price of a product was directly related to its manufacturing and distribution costs, and today a product's price is particularly related to the strength of demand and the demand is given impulse by the success of the brand. In short, in the past, objective values were the priority, while now the subjective influence has increased, and consequently there is more instability. Products which become market leaders for a couple of years can suddenly disappear pushed out by the fickleness of fashion.

Thus one might say that intrinsic values, necessary as they are, are not enough to ensure customer loyalty. Instead, careful vigilance must be exercised from the production front to detect trends and anticipate their spread. In fact, the rapidly expanding cool hunting profession owes its existence to the frequent changes in what the market is actually doing and the need to act, from the supply viewpoint, as trend-spotters amongst the most dynamic groups in the community.



The brand simplifies the customer's decisions, conquers him and makes him loyal

THERE'S NO BUSINESS LIKE TOP BRAND BUSINESS

Particularly with the most compulsive group, teenagers, with increasing spending power, the brand is forced to follow the early trends, but it needs to appear as a trendsetter using an argumentation whose impetus is hard to maintain. This explains the ups and downs experienced by the big names on the global scene and the constant risk that leading brands have to face. A brand may be cool at a given moment in time, but it can easily stop being an object of desire at a subsequent moment in time precisely because it has become “too” cool. Indeed, to own a top brand is to possess a tremendous asset, but it is for that very reason that building a top brand is by no means an easy accomplishment.

THE BUILDING OF A GOOD BRAND IS, UNDENIABLY, A DIFFICULT TASK. It is so hard that an expert such as Joan Costa classes it in his book *La imagen de marca* (Paidós, 2004) not as a project but as a “mission”. He says that “a special sense of mission is required. An overall, holistic viewpoint. Mental techniques that include a transdisciplinary approach, bringing together the strategist, the communicologist, design in all its facets, the brand manager or the communications manager. New viewpoints and techniques that were not necessary until now, simply because the business world was different before”. Or to put it another way: “Business is coming to its senses with recognition that brand building is business building”, according to Daryl Travis (*Emotional Branding*. Crown Business, 2000).

But how does one build a brand? How does one do it sensibly? Naturally, a brand is not a logo. The logo replaces the name, or even sometimes the name becomes the logo, as in the case of IBM, Coca-Cola or Ford. Logo and symbol can reinforce each other, but not even then can it be said that the brand has made much headway in its “mission”.

There are extremely attractive logos that have not achieved anything, while the Nike device, whose design cost \$35, has become the most forceful aspect of the brand. The same thing goes for the colours that firms choose as an immediate impact and as a flag. Avon chose its pink ribbon for its anti-cancer campaign, but the ribbon itself refers to Avon. With pink as the prevailing colour, Victoria's Secret put on a fashion show in the Plaza Hotel in New York and the outside of the building was bathed in pink lights.

Although the insistence on a colour is not always considered to be wholly effective, the experts deem it suitable for the staging of events and to create exceptional environments for emphasising the magic of the product. But there are products that are well-nigh inconceivable without their particular colour, such as in the case of Coca-Cola, Shell or IBM. IBM has also introduced the word “blue” to denote some of its products, and has made this untouchable colour, a combination of air, water or a vacuum, a sign of its mighty technological activity (Big Blue Brother).

Furthermore, Yellow Pages are not just any pages and the producer's brand has not needed to refer to anything other than the colour itself. Benetton is plain green, Telefónica is blue and yellow and Vodafone red. Orange has made the colour orange a sign, a vision, a name and a style, at a time when orange became cool and was linked with the clothes and fashions of young people. Previously, being Orange was simply an element of citrus fruit, but today it means becoming part of what is pivotal.

4

The plot





Ikea uses the colours of the Swedish flag, Tommy Hilfiger the colours of the US flag, and Carrefour the French tricolour.

However, the ultimate in the choice of distinctive colours linked to the idea of the Country/Brand is to be found in companies such as Tommy Hilfiger, which use the colours of the American flag and even certain variations in a direct manifestation of their origin. Carrefour does the same with the French tricolour, Ikea with the colours of the Swedish flag and the famous Swiss Army knives with that country's white cross. Brands need to be seen to be remembered and the more they can define themselves, the more they can be recalled.

Yet, the name of the product is usually more important than the colour and the logo, and in fact, in recent years, there has been a proliferation of national and international naming departments. To begin with, inventing a name is made complicated by the number of names that are already patented, to the extent that in the European Union, all five-letter words have been registered. In spite of these stumbling blocks, however, "brand names should usually be short and catchy, people-friendly, easy to pronounce and unique... (and should) imply something suggestive or evocative" (Costa, 2004).

Chantal Baer, managing director of Nomen Switzerland and an expert in naming techniques for Longines, said in April 2004's issue of *Éco-Com* magazine that "our usual method is to ask for two teams, one made up of linguists and historians, the other of copywriters and representatives of the relevant customer base or from the sector. At the same time, we have an extensive database at our disposal to help us to invent names". A seemingly far from simple process, and far from cheap, since each naming process usually costs over 20,000 euros.

Periods and fashions are also taken into account in naming. During the 1960s, a great many brand names ended in "matic", such as Filomatic, or in "ex", such as Moulinex and Duralex. Next came words ending in "a", such as Motorola and Radiola, and then in "is", such as Aventis. With the arrival of the Internet came the "oo" of Wanadoo, Boo and Yahoo!, and today the preference is for Latin words.

Amazon.com with its allusion to a vastness that encompasses everything, or eBay are good examples of modern names that grab the attention and reflect the company's situation. However, the use of initials does not seem to be procedure to be recommended, with the exception of IBM, AEG, BMW and one or two others. The Banco Santander Central Hispano was unpronounceable (BSCH) and could only be justified because all the members of that sector use that style. When faced by a series of letters, we are usually talking about a financial institution. However, a brand name should never include a word that everybody expects – for example, an advertising agency should not call itself "Such-and-such Agency". That is similar to the temptation for a brand to introduce itself as being "different". Whether it is different or not is for the consumers to decide. In this respect, the manufacturer's job is to quietly get on with manufacturing.

Silence and pretence can sometimes be an asset for a product that is at a disadvantage when fighting for its own brand. Or when there are too many brands. The French, through Sopexa (*Société pour l'expansion des ventes des produits agricoles et alimentaires français*) have recently addressed the problem of presenting themselves in a market that is overflowing with brands and areas of origin, with so many *appellations contrôlées*, often unfamiliar to the consumer, and the display of a thousand "Château This" and (in the Spanish case), "Viñas That". Foreigners, particularly North Americans, are overwhelmed by the proliferation of names that they are unable to assess. This is because, unlike what has happened with Champagne in France or *Cava* in Spain, the producers cannot or will not come together under the auspices of major brands that will maintain the quality of the group and benefit all of them together.

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A brand should answer for its product and act as a quality control monitor. It will thereby obtain the loyalty of the customer and lay the foundations for mutual dialogue. However, when it comes to the thousand different brands of wine, there is a constant movement of contacts, with no possibility of continuity, either because the product changes, or because the label is indistinguishable among a forest of names.

Not even the advance of the “appellations contrôlées” has helped the foreigner to clarify what is on offer, because there are still too many of them, and they are not accompanied by any information to explain the ranges of quality and their special features. It is therefore unadvisable to “intimidate” the lover of fine wines, or of other products (such as cured products, hams, preserves or olive oils) with too many labels. Their super-abundance is detrimental to an effective marketing policy. For this reason, with a view to simplifying and making their range more transparent, French producers exhibiting at the 2004 edition of Vinexpo Americas in Chicago presented just French wines made in Argentina and Champagnes with blank seals which could be inscribed with the most suitable names in each chain of distributors, although they did of course include the French production stamp since France, when it comes to wine or Champagne, is a leading brand name.

The great brand

A great brand is like a story that is never told entirely, because one part of its nature is connected with the unconscious and the other part with mythology. Thus, effective building always calls for a large number of resources in order to acquire visibility and weight, although, as experience shows, quantity is not enough. Successful execution requires brilliant communication tools, because the crucial thing in a brand is, above all, the establishing of a friendly relationship with the customers.

A brand may develop, contrary to what is commonly believed, without very much recourse to advertising, if none at all. Starbucks has grown at an unbelievable rate without advertising and the practically the same could be said about Zara. And what advertising has Rolls Royce ever done?

The decisive aspect in becoming a well-known brand is to think not about the benefits we can obtain from it, but the benefits that can be provided to the customers. Just as when applying for a job, the important thing is not to demand a certain salary, but to begin by describing what the employer will get from our services. The former marketing manager of Coca-Cola, Sergio Zyman, published a book in 1999, *The End of Marketing As We Know It*, in which he said: “The only purpose of marketing was to get people in order to sell them more product units, more frequently, by getting them to spend more money... Today, marketing no longer focuses on selling but on buying. It is about how to make it easier and more enjoyable to buy. It is about how to create relationships with customers which will develop emotional preferences for the brand”. If a product communicates mechanically without involving the consumer emotionally, what we have is an item, but not a brand.

The emotional key

Thus the brand must be felt and become an object of desire by showing itself as being good for consumers' happiness, health or experience. This is why courtesy in service companies or amiability in clothing shops are increasingly becoming a key factor in the success of a good many businesses.





Brand-building is an ongoing process, not a fixed-term project.

WalMart, the leading company in the world as far as turnover is concerned, and streets ahead of Carrefour in the retailing business, has created in its supermarkets the post of Greeting People, employees who welcome customers and use the same methods as the traditional shopkeeper, asking after customers' children, wishing them happy birthday or a merry Christmas, really laying on the cordiality so that the customer feels at home in the establishment. Today, many products are interchangeable and sales venues are chosen in terms of these elements of friendliness. Similarly, brands do not usually provide great physical or technological differences in quality or price; the distinction lies in the emotional environment they have managed to create with regard to the customers.

Listening to the customer, paying attention to his needs and preferences, taking enough time to get to know him is the basis of the advice the business guru, Peter Druckner, has repeatedly given in the *Harvard Business Review*. Furthermore, Jeff Bezos, the founder of Amazon.com, said that he was forced to write a book focussing not so much on techniques, organisation or financing, as on the importance of taking notice of the customer. "I think", he said in the April 1999 issue of *Business 2.0*, "that we all made the same mistake. Particularly in the on-line business, the power has gone from the company to the customer, whose voice is decisive. If you see that a customer is dissatisfied, you need to take notice, because it might mean that there are thousands of others with the same, or similar, dissatisfaction. On the other hand, making a consumer happy may mean that he will tell others".

"What your customers feel about your brand", according to the marketing expert Daryl Travis in *Emotional Branding* (2000), "is not a trivial issue. It is the crucial issue." This emotion is not only important for the sales and advertising department, but executives and their finance colleagues must show a vital interest in these feelings.

Why does a gift that comes in the blue Tiffany's packaging have a special magic even before it is unwrapped? Because Tiffany's is a love mark, a hot brand. But becoming a love mark is the highest goal of all, requiring tact, imagination, creativity and, undeniably, a large dose of empathy with the target.

Virgin has been, and still is, a brand that perfectly illustrates the development of a brand-building process with an informal organisational aspect. In 1970, Richard Branson and a close group of friends set up a small mail-order company in a premise in Oxford Street. They called it Virgin in keeping with the innocence and lack of experience they had at the time. But 30 years later, they are no longer inexperienced, having moved on from despatching envelopes to running a record label with a chain of a hundred superstores all over the world and an annual turnover that has made them Britain's largest independent music company, with an artists' roster with prestigious names such as Phil Collins, the Sex Pistols, Mike Oldfield and the Rolling Stones.

Yet, there has never been anything conventional about Virgin. Neither its logo, nor the internal decor of its stores, nor its boss, nor its customers. With all this activity, new horizons needed to be opened up, and Virgin Airlines was born as an expansion of entertainment and the exploration of new ground. In 1994, 90% of Britons had heard of the Virgin brand, a sign of good humour, youth and innovation. Virgin was the first to introduce fully-reclining seats (nine years before British Airways), vegetarian meals and Starbucks coffee, jacuzzi facilities, beauty parlours, masseurs, minigolf in terminals and their first class costs the same as other airlines' business class.

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Pulligan, Smirnoff, and El Corte Inglés are serious firms, but Virgin is fun and dynamic, breaking all the rules; it comes across as romantic and rebellious, so that it has been able to diversify, from vodka to wedding dresses, from cosmetics to condoms. All these factors have made Virgin a love mark which is firmly linked to the youth market and which might be said to be sponsoring a “life style”, the ideal aspiration for a brand today. The brand is not permanent like a tattoo but is constantly on the move, opening up new opportunities in life.

In point of fact, Virgin has spent relatively little on advertising; the most effective aspect of its strategy has been publicity, events or stunts that enhance the vitality of the brand, its imaginativeness and its perceived shunning of routine. For example, Branson showed up the launching of Virgin Bride, a company that organises weddings, in a wedding dress; in New York, at the opening of the Virgin Megastore in Times Square, he descended in a balloon. As Aaker (2000) said: “Virgin is exciting, surprising, even impressive, but it is never offensive”. It will never go too far, as Benetton did with its campaigns showing people dying or death row inmates; instead, the brand shows itself to be full of energy and good-naturedly communicates with its customers. Furthermore, Virgin's constant watch on the competition and self-analysis have been essential factors to explain why it still attracts the public.

A sporting clash

This concern for customers' feelings and the performance of the competition are such important aspects that their assessment is usually carried out by survey teams that regularly report on the degree to which brand recognition has increased or decreased, whether it is inspiring greater or lesser customer loyalty, whether it is more or less popular than the rest. Brand-building is an ongoing process, not a fixed-term project, and the experts' advice is never to be content with short-term results. The brand, as an intangible asset, is fragile, with the substance of a ghost and as likely to dissolve as gas. It is true that there are brands that have gone overboard with price cuts, conventional promotions or by joining forces with other firms in order to sell more during a short time, but this erodes their singular features and they end up suffering the worst fate for any brand: its loss of definition.

The erosion of Reebok, with the decadence of Nike and the brilliant rebirth of Adidas, is a telling example. Adidas was founded in Europe in 1948 by Adi Dassler, a footwear manufacturer, the son of a sports shoe manufacturer and a great athletics fan. To create his product he used his own first-hand experience and attended a great many athletics meetings to learn about the top athletes' gripes and pick up their tips. His main objective was to create the most functional shoe possible to improve the athletes' performance, and after a time, his shoe was the athletic footwear *par excellence*. As a result, a runner won the first gold medal using the original brand (then the Dassler Company) at the 1932 Olympic Games and Jesse Owens, using what was later to be the Adidas brand, achieved a record 4 gold medals in 1936.

In 1948, after a family quarrel, the Dassler Company was split into two, Puma, run by one of Adi Dassler's brothers, and Adidas. As the years went by, Adidas gradually consolidated itself as a brand committed to the Olympic spirit and its finest traditions in the first two thirds of the 20th century, but by the 1980s it had been dislodged by Nike. Nike moved ahead, not on the track, but by taking advantage of the jogging craze that Adidas had not taken seriously.





Nike's revolutionary Air Jordan came to be banned by the NBA, which made it infinitely more attractive.

The number of runners in the New York marathon had risen from 156 in 1970 to over 7,000 in 1980, and running had become part of modern life, but Adidas had not noticed. However, Phil Knight, the American who had founded Blue Ribbon Sports in 1964 to import low-price running shoes from Japan to the United States, did notice this phenomenon and was quick to exploit it.

During the 1970s, Nike's sales were doubling and even tripling year by year: 14 million dollars in 1974, and almost 1,000 million in 1983. Its aggressive and rebellious star name at the time was John McEnroe and its slogan was "There is no finish line". This aggressiveness was extended by moving production to poor countries in the Pacific and by giving running shoes to school and university coaches, as well as paying them to wear them.

The boom was to suffer a serious setback with the appearance of Reebok, which introduced a female customer base as a result of women taking to aerobics and physical fitness. The actress Cybill Shepherd was the public face of Reebok when she perpetrated a publicity stunt which involved showing up at the Emmy Awards ceremony wearing an evening gown and a pair of bright orange Reeboks.

First Nike and then Adidas were forced to react. In late 1984 Nike signed a seven-figure contract with Michael Jordan to change their shoes' image and even called one of their range Jordan. Jordan was prestige, performance, something exceptional, emotion. The technically revolutionary Air Jordan came to be banned by the NBA, which made it infinitely more attractive to the public. In the end, it was accepted by the NBA, and this made it even more popular with buyers. A feature of Nike was to spend more on advertising whenever the company was doing not so well financially. It followed the apparently paradoxical advice of certain marketing gurus who recommended this aggressive strategy when the going gets rough. Thus, in 1984, when Nike's profits fell by 30%, it spent 20 million dollars at the Los Angeles Olympics.

The case of Panama Jack

As a brand image, Nike is the odd man out, the "unexpected". "Just do it", on all fronts. Meanwhile, Adidas recovered by following the path of "authenticity". While Nike's slogan was individualistic and provocative, Adidas took a simple line, evoking the legacy of a footwear that was reliable, worn by parents and grandparents. In short, the brand had a good vintage but it suffered from a long-standing image problem which it in fact obtained through the efforts of two dissatisfied ex-employees of Nike, Rob Strasser and Peter Moore, who imbued it with the same essence, but in very large doses. Large doses of an identity based on self-esteem, professionalism and honesty. While Nike is perverse, Adidas is strictly honourable. Nike puts the emphasis on winning, Adidas on greater participation. Nike encourages one to beat everyone else, Adidas to excel oneself. Nike's philosophy is victory at all costs. Adidas advocates that winning is the prize, but it is more important to play well. Meanwhile, Reebok, caught between these two images, is being slowly strangled. This is because it is never, ever, enough just to offer a good price and quality; the brand must also clearly show what kind of product it is offering with regard to a public and an idea. In other words, it must be capable of positioning itself in the market. Market positioning, being clearly different, are essential factors for success. And this is precisely what has been achieved, in a particularly clever way, by a Spanish brand, Panama Jack (Habana Jack, in the United States, because of problems with the patent), which has managed to stand



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out from other products of the same type, and above all, to break out of a Spanish economic milieu which has traditionally seen the manufacture of low-cost footwear in bulk. Elche, Elda, Petrel, Villena and, in general, most of Spain, based their footwear business on a good quality/price ratio during a long period when the value of the dollar was high. Therefore exports suffered when these two pillars collapsed, on the one hand due to the unassailable competition of cheap labour in the Far East, and on the other, the prolonged fall in the value of the dollar.

In the midst of this inevitable adversity, Panama Jack has survived and prospered, precisely because it has built a brand. A well-designed, well-positioned brand, at the same time open to a wide sector of customers. The Panama Jack logo shows the face of an adventurer who could also be an adventuress, wearing a hat that could belong either to the country or the town, of a young yet indeterminate age, so that it was able to become part of the market catering for adults, walkers, pilgrims or rambblers.

On the international scene, which accounts for 61% of its turnover, Panama Jack rubs shoulders with powerful American brands such as Timberland and Clarks. Panama Jacks are shoes “made for walking” and, almost certainly, to break out from the relative routine of so many footwear firms that have been slow to react to the problems of the 21st century.

In 2001, Panama Jack sold over 1 million pairs of shoes for the first time, and its name, not surprisingly, has been tied in, through “marketing with a cause” techniques, with projects linked to nature, culture and the environment. Since 1989 it has been supplying footwear to the archaeologists on the Atapuerca dig, declared a Unesco Mankind heritage site, and since the 1990s, it has been collaborating with the Ruta Quetzal expeditions, also declared as being of universal interest by Unesco. Initiatives of this type, together with strict quality control, a pricing policy and marketing adapted to the nature of the product, show that it is possible for Spanish producers to join the international market, promoting the Spain Brand, and through the action of interactive or synergetic effects, bring about the increased development of Spain's industry and services.

Brand identity

The search for a brand identity is, in short, the hub around which all promotion and development strategies will revolve. But this identity, like all identities, cannot be achieved in isolation or in a project that just deals with the product or the firm. The identity of a brand, like the identity of people or objects, is the result of an interrelationship between the thing and the subject, the fruit of a cross between the suggestions of the giver and the perceptions of the receiver. Consequently, the search for a brand identity needs to follow a path that at all times involves interaction with the potential customers that are chosen or those who might join them later. Or as Sony said in their advertisement in summer 2004: “You make it Sony”.

Thus, at all times interactively, the brand will seek its identity based on four pillars: the brand with regard to the product (the product's nature, features, usefulness and origin), the brand with regard to planning (addressing the company's market, local or global position), the brand with regard to the individual (all brands with identity evoke a living personality able to generate relationships and attachments. (Aaker and Joachimisthaler. Free Press, 2000).

This might seem like an exaggeration, but every customer, when it comes to top brands and one's own particular brand, transfers his loathings, affec-



Natural Life & Style

Initiatives such as Panama Jack show that it is possible for Spanish producers to join the international market, promoting the Spain brand, and through the action of interactive or synergetic effects, bring about the increased development of Spain's industry and services.



"Satisfaction or your money back". El Corte Inglés transmitted trust and a concern that was out of the ordinary at that time.



The Osborne bull has, as a sign, become better known than the name.

tions or malice on to a product as if it were a character with a historical, moral or behavioural background. Beyond this all-embracing idea, the brand identity structure includes, according to Aaker and Joachimisthaler (2000), a *central identity*, an *extended identity* and a *brand essence*. If the customer perceives the brand as matching its central identity, say these authors, the battle is won. The central idea for El Corte Inglés, for example, would be "Satisfaction or your money back", which transmitted trust, attention and a concern that was out of the ordinary at that time.

Virgin's *central identity* is entertainment, imagination, youth. Carbonell olive oil's central identity is quality, tradition and craftsmanship. The BBC's central identity is objectivity. The central identity should be maintained wherever the brand is marketed so that the extended identity contains elements that do not vary from this master idea, taking care not to distort it.

As far as the essence of the brand is concerned, this is somewhat more laconic and intense than the qualities making up the central identity. The essence of the brand is echoed in the customers and needs to be clear and powerful enough to stimulate even the employees of the company. American Express says "we do more", Mercedes is "economic success", BMW "the pleasure of driving", Coca-Cola is "the joy of living", Sanex is "healthy skin", Fa is "coolness", Philips was "we can do better".

Brand identity differs from brand essence in that the latter is a tendency of the former. The identity can be built in a limited period, but the essence emerges like a liqueur that is separated by means of a brand-customer interaction giving rise to an assortment of feelings brought together in the end in an emotion that transcends time and consolidates its history. This is a state of affairs that applies only to a chosen few and is often reinforced by the success of a representative element, such as the Duracell rabbit, the Michelin man who represents power and energy, or the Osborne bull which, as a sign, is better known than the name.

Amena in Spain has aimed to achieve a symbolic association of this kind by means of a group of grotesque dancers dressed in green. It has created this association, perhaps not in the best of taste, but it was probably effective for achieving recognition, and maybe for communicating with a young customer base that was its target.

Brands with advertising verging on the vulgar obtain good results because previously surveys and group sessions have taken the trouble to discover the mood and language of their customers. A good many top companies have carried out this type of research in order to adjust their product and image. Chrysler had a large number of members of the public design their ideal car, and this gave them the basis for the design of their PT Cruiser which was reminiscent of the American delivery van of the 1940s and 1950s. This nostalgia was responsible for the success of the model in the United States, and it was named Car of the Year in 2002.

Firms such as Procter & Gamble, which produces a wide range of household products, devote entire working days to monitoring the domestic life of their potential buyers, providing them with microphones and recording equipment for them to give their impressions on the usefulness of the items they have tried or have found wanting on their shelves. In the early 1990s, the clothing chain Urban Outfitters started the custom of offering discounts in exchange for the customer filling in a questionnaire about his impressions of the store or what emotions had caused him to enter the premises.

Research on usage has yielded some 20 main customer emotions, from rage, dissatisfaction, sadness, culpability, shame or anxiety to joy, enthusiasm, well-

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being and self-respect. The proliferation in recent years of books dealing with the importance of emotional effects in causing the introduction and permanence of the brand gives some idea of the intensity with which this importance has been acknowledged.

However, the downside of heavy reliance on the emotional effect is the vulnerability with regard to the competition. The brand loves us, but another one might love us more, or better. The brand is fun, but what if it goes too far? The brand is convinced that it is the best, but might it not be a boast that makes it complacent and hinders it in its attempts to keep up to date?

The risks that beset a brand are often forged as a result of this affection, and their number is increased or diminished depending on the geographical region in which the competition is to be found. Levi's is a popular brand in Europe and the Far East because it has been a symbol of what is good about the United States, and it is sold at a premium. Yet in the United States, Levi's popularity lies in its functionality, its resistance and its traditional character. Opium is a popular perfume in the United States, but in Europe, where less intense fragrances are preferred, it represents a tiresome lover. Nestlé is a well-loved name in Europe, associated with babies and the entire family, but in the United States it is relatively unknown.

In short, a brand's identity varies according to its relationship with its customers' milieu and culture, and this is a touchy subject that no company should ever ignore. Treat the customer or his culture badly and you pay dearly. Conversely, respecting them leads to loyalty and magic. But, when all is said and done, if you offer an experience that is both lively and different, so much the better. And this is what has happened with the new style of stores with the "e-factor". The enchantment and entertainment factor.

The "e-factor"

Starbucks or Nike Town, Urban Outfitters or Virginia Megastore are to be found at the top end of the scale of stores with charm, while at the bottom end there are Tintoretto, Alcampo, or the most recent incarnation of Benetton. Mid-table would be the Body Shop, Vips and Zara.

In these cases, the name not only satisfies and pleases us, but also gives us a new experience. It provides us with a bonus of adventure or experimentation which turns it into an appendix of existence, to include it subsequently within the elements of our lives. In this respect, it is worth noting the new world of show stores, large retail complexes, recreational restaurants and hybrid areas where people can shop and consume music, images, aromas and entertainment in general.

Nike has launched a chain of premises, the Nike Towns, aimed not only at selling sporting goods but also at presenting, with interactive games, sound and large screens, the thrilling atmosphere of sport. The Planet Reebok and the Adidas superstore in Berlin, which can be converted into a discotheque, are two of the responses from the competition who have introduced into their establishments what the business textbooks have called the e-factor.

One huge shopping complex with the e-factor is the Xanadu Superpark, owned by the Mills Corporation, which has successfully exploited this concept in 12 locations in the United States and is now planning to spread throughout Europe starting with an establishment measuring 125,000 square metres in Madrid. But in Alabama, the Riverside Galleria, a mall similar to Xanadu, has been for some years the main tourist attraction in the State,





"Entertainment transferred to the retail outlets will be the most significant phenomenon of the new century".

and the same goes for the big McCane mall in Arkansas and the Potomac Mills in Virginia.

In addition, several megamalls, such as the Easton Town Center in Columbus (Ohio), the Bluewater Mall in London and the Mall of America in Bloomington (Minnesota) have become known internationally, to the extent that the Mall of America, with over 12,000 employees, 520 stores and dozens of restaurants and discotheques, was defined by *Life Magazine* in 1995 as the top family vacation centre. Not even the Pentagon planned a parking area as big as this leisure HQ, with parking for 30,000 cars. Only one or two other malls in the world can beat this: the West Edmon in Canada, with an area equivalent to some 100 football pitches and the gigantic Crow Resort in Melbourne with almost 2 million square metres, a 500-room hotel, 40 bars, 25 restaurants, and the second biggest casino on the planet.

"Entertainment transferred to retail outlets will be the most significant phenomenon of the new century", said the editor of the Fashion Network Report in 1998. He was not exaggerating: Sam Good, Tower Records, Musicland, Virgin Megastore, have all exploited, in huge premises, the love of music and Turner Entertainment, Warner Brothers and MGM, as well as Wal-Mart stores have provided their premises with "entertailing", a portmanteau word made up of *entertainment* and retailing.

Catering for the children's market, McDonald's and Disney have brought together hamburgers with *Beauty and the Beast*, *The Lion King*, 101 Dalmatians *Pocahontas*, and, for adults, the designer Amaya Arzuaga has wine and oil tasting and sales alongside the clothes she sells, Carolina Herrera serves free wine or fruit juice on the ground floor and the Templo del Café in Madrid is a premises where "everything is for sale", including the chairs, tables, lamps and sculptures. The style set by the Planet Hollywood chain, Harley Davidson Café, Hard Rock Café and Dive makes up a long list which includes the Rainforest Café which, according to its advertising, is "a wild place to shop and eat". Here, one can buy all sorts of items meant for the jungle (creams, t-shirts, compasses, fans, machetes and so on) or for living ecologically on your doorstep. At the back is a restaurant surrounded by a forest with palm trees, birds, fish and waterfalls, chairs upholstered in zebra hide and coconut palm tables. "Our restaurant is an exclusive concept and an adventure inside the most realistic forest ever created!", they say. Food from Mexico, Asia or California is served there indiscriminately, but having a meal is not the most important thing. "Your Adventure is About to Begin!"

And what about the quality of the cooking? There is a restaurant that was opened in May 2001 in Cologne, the Unsicht-Bar ("Invisible Bar") that has the peculiarity of being completely dark. From the time one crosses the door, one enters murky blackness and a staff made up of visually-impaired or totally blind people guides the customers to their tables. To know what one is eating, one has to consult a timetable which shows what time each dish is to be presented. For practical reasons, the cuisine is never based on peas or spaghetti, there being instead an abundance of items that can be recognised with the fingers, or soups that can be drunk from double-handled cups. The diners, who cannot see each other either, experience an uneasiness that cannot be alleviated by the lights from their watches or mobile phones, as they are strictly prohibited. As a result, the restaurant provides the diner with a bonus experience which is reminiscent of the games played in the 1920s by avant-garde artists in their "tactile dinners", and the experience is not

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cheap. Dinner? Lunch? The main thing is to exercise more than just taste. None of the dishes in the Unsicht-Bar have traditional names or ones referring to the ingredients; instead, they are called “green breakers on the cliffs”, “recreation of the amethyst at sunset”, “pearls on the beloved’s body” and other poetical names in that style. (Vicente Verdú, *El estilo del mundo*, Anagrama, 2004).

In the United States, certain retail chains such as Pottery Barn, Restoration Hardware, Williams Sonoma and Victoria’s Secret have managed to attract more shoppers with their spin-offs than with their goods. Victoria’s Secret has won over such a large public with its background music that in two and a half years it has sold as many as 15 million CDs, as if it were the soundtrack of a film: the fantasy film or video that the outlet has been transformed into. In Rome, there is a bar, the Bar Perfume, where customers sniff and apply French fragrances served in glass vessels while sitting at a bar; and in New York, the Japanese store, Felissimo, is like a temple of spiritual intimacy, where minimalism of form, feng shui, ancient Chinese philosophy and “earth architecture” all come together. The inside of this establishment is laid out around a central *rotonda* called Dreamgrounds, with pot plants, toys and magazines alongside bathroom products, incense and oils. On the fourth floor there is a restaurant where fusion food is served and on the top floor, known as Higher Ground, meditation may be practised to round off the experience.

Perhaps more excitement is needed? In Seattle, Recreational Equipment, Inc. (REI), which sells sporting goods, has been equipped with artificial mountains and waterfalls. One of its attractions is a craggy mountainside where one tries out mountain bikes and then there is a room equipped with different types of shower to check the resistance of waterproofs and parkas. The store has managed to get its attractions included in tourist guides, and it thus receives close to a million and a half visitors a year. America also has the Sharp Image chain, with designer items, office gadgets and decoration accessories whose carefully created fantasy invites one to feel at ease. Would it come as any surprise if outlets like this were one day to charge an admission fee? Indeed, there are already retail complexes that charge an admission fee: the Minnesota Renaissance Festival, the Gilroy Garlic Festival in California and the Kitchener–Waterloo Oktoberfest in Ontario, which style themselves as “leisure locations” and by no means retail outlets, a concept that is too old-fashioned. Thus, as has been suggested by Jeremy Rifkin in *The Age of Access* (Tarcher, 2000), the spaces where we shop, travel and live are on the way to becoming transformed into a theatre where we are actors and audience, customers and artists. But another trend that is taking shape now is the conversion of these leisure locations not so much into shopping outlets as into areas sponsored by brands. At the moment, for example, neither Microsoft’s establishment nor Sony’s in San Francisco are strictly retail outlets, but areas where the public can experience the brand. The same may be said of the Coca-Cola, General Motors or Apple establishments that are introduced into the consumer’s life through their leisure and entertainment options. The pioneer of these brand amusement parks was Legoland, but both the Mall of America and the Forum Shops at Caesars in the United States are partly following the trend to close the link between the new concept of the consumer and brands which now no longer live face to face in the market but co-exist in a milieu colonised entirely by the new symbolic meaning of production. “The brand is the amusement park, and the product is the souvenir”, said Nick Graham, President of Joe Boxer. One of the things Nick



The spaces where we shop, travel and live are on the way to becoming transformed into a theatre where we are actors and audience, customers and artists.



Graham did was to introduce boxer short vending machines on street corners, to meet any unforeseen eventuality.

Thus, brand creators today need to take into account the rules of this more theatrical, sensation-laden and sensitive game. Once again, Starbucks was a pioneer that now sells not coffee but the coffee experience, thereby charging three times as much for a cup of coffee as the establishment next door. Swatch does not sell just watches but experiences, toys for the wrist that encourage the ownership of not one model but several: the average Swatch-owner in Italy has six models. The e-factor, experience or entertainment, is indelibly imprinted on brands, and as an example of this, there is the case of Harley Davidson, whose spectacular recovery is based not on the experience of speed or comfort, nor on quality or price, but on the option to travel to a different world. This brand, which at one time was in its death throes, is now worth over 2,000 million dollars. The logo à go-go.

Congenial brands

Naturally, there are brands that pay great attention to good works. And their number is growing every day. They learn to do good by putting themselves in a good light, and incidentally their country of origin. Thus, with the new marketing techniques, companies act indirectly as good ambassadors of their respective countries by promoting their cultures or carrying out humanitarian works which often not even their governments tackle in the way they should. The United States or some other country might not have signed the Kyoto Protocol on environmental protection, but some of its top companies may receive international awards for their sensitive commitment to nature.

A consultancy firm that is fast gaining a name for itself, SustainAbility, now awards, in collaboration with the United Nations Environment Programme, good conduct labels to those clients (Shell, BP, Ford or British Telecom) who are environmentally-friendly, do not exploit their employees or do not manipulate their books. With these labels or ethical Oscars, the business stars become examples for everyone, pillars of a better world that they are helping to build with their brands. Back in 1790 the people of Leicester took action to boycott sugar imported by the East India Company, because it practised slavery in its plantations in Bengal, and until the 19th century, the British monarchy only granted licences to companies that declared their interest for the public good. Doing good business in the English Puritan tradition has often gone hand in hand with doing good for everyone else, and if it was not a monarch it would have been a businessman who would take action.

This is precisely the background of Joseph Conrad's novel, *Heart of Darkness*. Captain Kurtz is overexploiting the ivory trade in the Congo, and the company that benefits from this wealth sends one of its men from London to see what is happening.

This philanthropic ideology was the basis in the United States for the current practice known as cause marketing, now a central strategy in the operation of a good many companies.

The forerunner of today's cause marketing was Coca-Cola's initiative in 1986, with an event called "Hands Across America", in which millions of Americans joined hands in a human chain from the Atlantic to the Pacific to draw attention to the tragedy of Third World hunger. The idea was not Coca-Cola's originally, but this company was able to exploit it and also cre-



A forerunner of today's cause marketing was Coca-Cola's "Hands Across America", carried out to draw attention to Third-World hunger.

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ate an American spectacle that undeniably put the country in a good light in the eyes of the world. Over 2,000 radio and tv stations called for participation in the event and between them they distributed red and white ribbons, stickers and badges with the brand logo. Four million people formed the human chain and another two million took part in numerous acts of support in clubs, schools and parishes all over the country. The vice-president of Coca-Cola's public affairs department, Anthony J. Tortorici, said afterwards: "Hands Across America was the right thing at the time for the United States and for Coca-Cola. Americans' concern for the poor and the hungry was at its height and, as far as we were concerned, we had just got over the controversial launching of New Coke, so we needed something to reconcile our company with the country. This was perfect." (Quoted by Alfred L. Schreiber and Barry Lenson, 1994).

This was an ideal union that has subsequently been repeated at various levels, because the union of a good firm with a good collective cause is now almost a must in big business. A bad public image as far as morality is concerned is so dangerous for a company today that, with good reason, there are ethical audits to support or publicly correct a company's compliance with the SA 8000 norm (SA for social accountability) which establishes trade union freedom, a minimum living wage, health and safety conditions, and so on.

Companies are in business to make a profit, but it not unusual for them to benefit their countries of origin when they attempt to appear caring. American Express, which had repeatedly abused its position over fifteen years, sought to combat the bad feeling caused by its high commissions in restaurants and stores with an anti-hunger campaign called "Charge Against Hunger", whereby it donated three cents to the homeless for each transaction. Procter&Gamble aimed for a whiter-than-white image using precisely its own Dash detergent by donating a few cents to Ethiopia for each packet sold, and tobacco companies, mineral water companies and computer manufacturers have carried out similar actions.

Heralds of ethics

"Cause marketing", marketing with a heart, aims to enhance the brand with a humanitarian tone, and one example of this is Avon which has seen the pink ribbon of its breast cancer campaign become a firm sign of solidarity with women suffering this disorder. The United States, as a nation, was not the main player in that humanitarian action, but who can doubt that Avon's sensitivity has been attributed to the American people who have made it possible for this huge collection of funds to have got off the ground? Indeed, American public charities such as the Breast Cancer Organization (NABCO) and the National Cancer Institute (NCI) have worked in conjunction with the Avon brand. What could be more advantageous for the firm's health, and incidentally, health in general?

The British brand, Body Shop, also aware of women's problems, is currently associated with certain campaigns against domestic violence (its advertisement was screened in France before Iciar Bollaín's film, *Take My Eyes*), but ever since its foundation, Anita Roddick has committed her firm to a passionate campaign against animal experimentation and in defence of nature. Her "natural" products have been the company's best calling card.

Indeed, purchasers of Body Shop products have felt like supporters, through their purchases, of the defence of the environment: its shampoos or creams do not pollute or poison and they do not disguise their real action. This idea



"Cause marketing", marketing with a heart, aims to enhance the brand with a humanitarian tone.

of honesty and purity has been the Body Shop's standard and has also helped Anita Roddick's image to spread her messages of harmony.

There is no doubt that part of this ethical evangelism movement is motivated by commerce, but there is also a large dose of charity, based on the business tradition of the English-speaking countries. A slogan in the 1960s was "Trade, not aid!", but this feeling, which used to be entrenched among the liberals, has now spread worldwide.

Specifically, the type of trade that was later called *équitable*, fair trade, began in Europe when two young Dutchmen, one living in Mexico and the other in Europe, joined forces. The Mexican resident was Father Frans van den Hof, who was outraged at the way small coffee producers were being exploited by intermediaries. His partner in Europe was Nico Roozen, a businessman who decided to bring to the major distribution channels the ideals advocated by alternative trade entities such as *Artesanos del Mundo*.

These two men decided to go where the consumers were to be found: the hypermarkets. The important thing for them was to sell as much as possible to help the *campesinos* as much as they could, and this pragmatic approach gave rise, in 1988, to a legendary brand, Max Havelaar, which became a model of human solidarity and commercial integrity which saw its sales rise dramatically. The brand was, to a certain extent, a badge, a sign that joined together everybody who, through their purchases, formed a community that helped the Third World.

In this respect, Switzerland is probably the most generous country in Europe today, thanks to the backing given by two large retail outlets, Migros and Coop, to products from underdeveloped countries, particularly bananas. In France, however, it is coffee that has been the most successful product, thanks to the collaboration of Malongo, whose managing director, Jean Pierre Blanc, has been involved in the project since 1992. In these establishments, which undeniably have obtained social recognition, 18% of their sales are *équitables* and the consumer, motivated by the "moral bonus", is happy to pay 5% more than for a similar item. Finally, Alter Eco, a small company that has extended its product range to include cocoa, chocolate, sugar, tea, etc., and has seen its sales double year after year, has found support, first from Monoprix, and then from Carrefour, Leclerc, Cora and Marché U. The brand is purified, as are the profits, and this rubs off on the brand's country of origin.

At this time, some 20 countries in Europe import fair trade products, distributed to over 43,000 stores, with a total of 100,000 volunteers. In 1986 there were two outlets in Spain and in 2002, almost seventy. But as well as specialist outlets, these fair trade products are now sold in chains such as Caprabo, Bonpreu and Alcampo, in a show of solidarity that is not always assumed by their respective countries.

Philanthropic ventures

Even in Silicon Valley, the fashion in the prosperous 1990s was not joint ventures, but venture philanthropy, and up to 83% of San José Valley households gave money to charity (Newsweek, 4-2-2002). Microsoft's Steve Kirsch, when only 35 years old, donated 50 million dollars to research on asteroids, concerned as he was that they would fall on people's heads, and in 2000, at the World Economic Forum in Davos, Bill Gates announced that he was donating 750 million dollars over five years to finance the Global Alliance for Vaccines and Immunization. The British brand, Daddies Ketchup, which sold little when it started, chose the prevention of mistreatment of children to put itself in a



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good light, and Río Tinto, Shell and BP all decided to compensate for the adverse effects their exploitations were causing to the environment by providing health care to the local inhabitants. In the new capitalism, the important thing is to satisfy not the authorities, but the customers and public opinion, and the companies thereby obtain, in the eyes of the consumers of the product, an ethical label, as it were, that effectively delivers the goods both materially and morally. A few minutes after the attack on the Twin Towers, the H&M chain gave out 4,000 pairs of socks and Tommy Hilfiger gave sunglasses to all those affected by the fires.

Even Harley Davidson, which throughout its history has had an image associated with the Hell's Angels, has sought to acquire new positive attributes by committing itself to charity campaigns against paralysis diseases and muscular dystrophy.

This case involved a long-standing company, but in 1988, Reebok, which had just appeared on the scene, made a strong bid to become involved in the human rights movement and spent over 10 million dollars, amounting then to 90% of its total marketing budget, on the promotion of a tour with Bruce Springsteen, Sting, Peter Gabriel and Tracy Chapman, among others, in 16 countries to raise funds for Amnesty International. The condemnations that certain US governments received from AI were balanced out by the action of a brand. *Human Rights Now!* blared the Reebok posters in places such as Buenos Aires, Moscow, Sao Paulo and Zimbabwe, where the lack of human rights was strongly felt.

As part of what I call *fiction capitalism*, there is today something known as "ethical money", whereby any saver has for some years been able to require that his money is not invested in businesses linked to armaments, the manufacture of alcoholic beverages, gambling, tobacco or cruelty to animals. These funds, which eschew politically incorrect activities, devote some of their profits to relieving hunger and disease in the Third World; thus the business is following a permanent cause marketing strategy.

The first ethical fund, with social responsibility, was set up in 1971 under the name of the Pax World Fund and boycotted any company linked to maintaining the army in the Vietnam war. Years later, a North American activist, Amy Domini, set up in 1989 an index of 400 "socially responsible" companies which, in the manner of the Dow Jones Index, made up the Domini 400 Social Index, bringing together companies that did not damage the landscape, harbour dictatorial policies, exploit Third World workers, mistreat animals, manufacture alcoholic beverages or tobacco products, or trade with dictatorships.

Within a few years, ethical funds were to account for 10% of the stock market and their economic influence was even greater due to their performance. In France, there are the Hymnos funds set up in 1989 by Credit Lyonnais, and its advertising says: "Hymnos is a common fund with diversified allocation which invests mainly in companies whose assets match a Christian and charitable ethic." In the Hymnos portfolio appear firms such as BNP Paribas, L'Oréal, Lvhm, Vivendi and Axa.

In addition, microfinancing for the poor, operated particularly by the Grameen Bank in Bangladesh, is a system that the major banks have begun to consider. The idea of granting small loans to groups of five or six people who have banded together is not only a charitable idea, it is a highly profitable concept because, contrary to what one might believe, the loans are paid back in 99% of cases, as a question of honour. Since 1983, the year that Grameen was set up, over 65 million underprivileged people in poor countries have



In the new capitalism, the most important thing is to satisfy not the authorities but the customers.

received loans through 8,000 specialist microfinancing bodies. Surely an interesting project for the major banks, with a proven positive effect on the image of the banks' countries of origin.

Indeed, companies can do a great deal to enhance a country's image. But they can also harm it. Companies such as Union Carbide, which polluted the Indian city of Bhopal with gas and caused tens of thousands of deaths, or Shell, which was attacked by Greenpeace for polluting the North Sea, can give rise to episodes that harm the image of their native countries. Several textile, footwear, foodstuff or IT component brands, denounced for their exploitation of children and other workers, have had to alter their policies because of the negative effect on their sales. But their countries of origin have also had to take action to avoid their Country/Brand prestige suffering in the eyes of the world.

5

The country of representation

IN THE WIDE ARRAY OF NATIONAL STEREOTYPING, SPAIN APPEARS AS "EXOTIC", Greece "classical", England "traditional", Russia "tough", France "hedonistic", Germany "efficient", and Italy "smart". There are countries like Australia that are characterised as being simply and meaninglessly "antipodean" and areas in the north of Europe, Sweden, Norway, Denmark and Finland, that are all lumped together indiscriminately.

But even in regions that do not have an obvious international profile, brands have been revealing unexpected features. Associating the face of a country such as Canada with the Mounties is an obsolete endeavour, as it would be if Spain's face was based on flamenco and bull-fighting. But these lazy clichés that have no place here can be partly corrected by the international spectacle of their brands.

Today, countries or territories are no longer colonised; the degrees of influence or presence of a country are weighed in terms of the role it plays in the markets through the strong credentials of its international products. Because, as well as consumer goods, countries export culture, life styles, values, ways of relating to society and the world. The economic powers are not at each others' throats to establish military dominion: their interest lies in winning over markets or seducing them with the lure of their brands.

The World's Most Valuable Brands, a regular report published by the consultancy firm, Interbrand, contains a list of the 100 highest-rated brands by the international public, currently to be found in a group of 14 countries. In view of the great difficulty in creating a top brand and the significance of its conquest of the market, the results of the study should not surprise anyone. Of the hundred or so brands analysed, over half belong to the United States, while Germany, next in the list of top brands, has just seven, followed by Japan with six. There is no Spanish brand in the list.

Indeed, Japan's spectacular economic boom in the late 1970s and first half of the 1980s was founded on the international prestige of powerful brands that married technical perfection and aesthetic elegance. Japan's reappearance as a power after years of post-war inactivity was due to the telling raids on the market by its motor manufacturing firms and the ingeniousness of its audiovisual sector.

As far as motor manufacturing firms were concerned, Japan not only made models that were cheaper and more reliable than their American counterparts, but it also followed a surprising production and marketing policy. Its cars,

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with low fuel consumption and good performance displaced the large, gas-guzzling models made by Ford, Chrysler and General Motors, to the extent that the American empire felt the need to promote a patriotic campaign with the slogan “Buy American”, to counteract the effect of these all-conquering imports. As if that were not enough, the Japanese were not content with just the popular market. Toyota created the Lexus for the luxury market and Nissan launched the Infiniti, the smoothest and quietest ride in the world.

Following a particular moment of crystallisation in the mid-1980s, all Japanese car, motorcycle and cassette companies promoted each other, thanks to the credibility acquired by the country in terms of the Country/Brand. A credibility that has been extended in recent years with Sony's robots and even more recently with the marketing of e-books with electronic ink microbubbles by Sony and Toshiba.

In England, where classic bikes had been manufactured up to the 1970s, their brands were practically swept away by Honda, Yamaha and Kawasaki; and Nintendo became a firm favourite with children and teenagers, going so far as to open a large theme park, and this had a favourable effect on Japan's image, an image that was already positive as a result of its cartoons for television and the cinema.

The launch of Japanese motorbikes left practically no European manufacturer standing, and only the United States reacted subsequently by breathing life into Harley Davidson and, in Germany, BMW recovered a rejuvenated luxury niche.

The Harley Davidson case warrants particular consideration when giving an example of how a company's (or institution or country's) solvency is regained through the prestige of a good name, because this motor cycle, which in the 1970s seemed destined to disappear, was resurrected when it took advantage of the retro fad, and in 2002 it not only accounted for 27% of the world market in its sector, but its logo became the most popular tattoo design in America. Soon afterwards, The Indian Motorcycle Company, which had closed down in 1953, planned its comeback following in the footsteps of its competitor.

With its cars, sexy motorbikes and hi-fi equipment, Japan became a top brand, the brand *par excellence* in the first half of the 1980s. This was because the Japanese not only quickly learned to copy western technology, they also made it cheaper, and so their audio-visual items, from video cameras to televisions, radios to tape recorders, were by definition stamped with the Japan brand.

Sony was the number one brand, but it was joined by Panasonic, Aiwa, Canon, Nikon and Toshiba, so that the country, thanks to its major companies, became a place that was appreciated, worth visiting, and worthy of being heard in international forums. Probably no country had ever managed to promote itself with such an effective brand strategy in such a short time.

From China to Chanel

China, on the other hand, is an example—alongside Thailand, Myanmar and the other “Asian dragons”, with the exception of Korea and Taiwan— of an anonymous development. Or to put it another way, its current strategy has been to hide behind the brands; supplying foreign brands with cheap labour and with no features other than the advantage of its rock-bottom costs. Paradoxically, the country that is known for its signs (in its writing) is revealed as having none and, indeed, the idea of a China without brands is that of a country subject to the top foreign companies. A type of industrial raw material or



As well as consumer goods, countries export culture, life styles, values, ways of relating to society and the world.

primitive element, converted into a “penny bazaar” where nothing counts with respect to the symbolic value, and only the exceptional nature of the sub-value matters.

Some 200 billion items are manufactured in China a year, but practically no one knows of any Chinese brand. In this respect, the country, in spite of its spectacular growth, is still a symbolic wilderness. What is more, major Chinese manufacturers have opened offices in London and the rest of Europe so that they can label their products “Made in England” or “Made in France”, as the Chinese prefer items from the West and there are still no signs of a creative countermovement. There is no doubt that Chinese society has become transformed, but it is obvious that this example of a brandless country does not represent participation in the decisive world of the image.

China will gradually emerge, without doubt, from its old factions to present a modern “branded” face, but so far, with reference to the years that began with its economic opening up to the world initiated by Deng Xiaoping, the country is still to undergo a process of characterisation that will enable it to have more weight internationally. Today, a country with no well-known brands is merely an assembly plant or vast factory where the shades of incompetence and backwardness are reproduced. And yet a country with a recognised brand becomes a talking point at the international level.

Nokia (no 5 in the world brand ranking) or Ikea (no 43 in the ranking) have done more to put Finland and Sweden respectively on the map than hundreds of years of unknown history and trade. Before Ikea, Sweden was known in Spain for its beautiful women who went there as tourists, and perhaps for Volvo with its solid products, honesty and safety, manufactured in a welfare state.

Switzerland would be an insignificant shape on the map were it not for its superb watch brands (Rolex, Tag Heuer, Patek Philip, Breitling, Franck Muller; and recently Swatch, taking creativity a stage further), as well as Nestlé with its large family of Nescafé, Nestlé and powdered milk for the whole household.

And what about Philips? Holland would be just tulips and its grey monarchy without the lighting its electrical appliances company has spread around the world, never surpassed by bigger countries. Great Britain was, until recently, Jaguar, Rolls Royce or the BBC, famous motorbikes, one of which killed Lawrence of Arabia, and fine knitwear. But today, with its cars and motorbikes gone, textile industry ruined and the BBC’s objectivity compromised, there just remains the pound, the Beatles, opposition to the euro and Manchester United.

Just the opposite to what South Korea has achieved in a very short space of time with its cars and electronic devices. Korean brands such as Hyundai, Daewoo, Samsung and LG (Lucky Goldstar) are in lights in the main avenues of the world’s capital cities on an equal footing with the big boys. And the process has only just begun.

One case, albeit colourful, is the recent association between nationalities and cola brands. The first to enter this unusual competition were the Arab countries, from Morocco to Egypt, who marketed Mecca Cola in opposition to Bush’s America, but in 2004, more politicised and separatist cola brands unleashed a constant struggle. In France there is Elsass Cola from Alsace which in just a few weeks overtook Atlanta’s Coca-Cola with sales close to 2 million bottles. The same thing has happened in Brittany with Breizh Cola. There is also another political cola in Corsica, a region which fights unceasingly for self-governance, with terrorism included, called Chtilà Cola, and by



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Countries are quick to take advantage of the impact of brands: being harboured by them or using them as a battering ram.

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mid-2004 there were as many as 463 known alternative colas, including a Berbère Cola, a Homo Cola, and there are plans for a Catalan Cola and a Euskadi Cola. Countries are quick to take advantage of the impact of brands, both behind and up front: being harboured by them or using them as a battering ram. Could this be the language that is most understood at an international level? The language of symbols that counts the most?

The boycotting of French culture by the United States, above all, is a perfect illustration of a Brand/Country whose pride is rooted in the France that arose from the Golden Age and the 1789 Revolution. France is the most patent example of Country/Brand even before the term existed: before there were brands but also now. A “France made in France”, through its culture, its haute couture, from perfumes to champagne, from literature to Brigitte Bardot.

As for Italy, one thing has always been the attraction of its historical heritage, its pasta and its countryside, and another, the fame it has obtained with designs by Gucci, Prada, Menini or Pininfarina, major names in clothing or industrial design, but above all, through Armani who has taken Italy from the Milan catwalks to the great weddings of the century, the Oscars red carpet or the Nobel ceremonies. The Italian ambassador in New York counts for little alongside the figure of Armani, just as the foreign dignitaries of France rank below Chanel or Yves Saint Laurent.

The United States or the imperial canon

But, finally, where would even the United States be without its brands? Would its ascendancy in the world's pop culture be conceivable without its Levi's, its Cadillacs, Coca-Cola, Marlboro, Microsoft or McDonald's? One of the young leaders of the anti-Bush movement in North Korea, Park Young Hoon, said in *BusinessWeek* (4-8-2003) that although a lot of young people demonstrated against the policy of the United States, that did not mean that they did not appreciate its brands. “Calling for political independence from the us is one thing and liking American brands another”, he says. “Of course I like IBM, Dell, Microsoft, Starbucks and Coke”.

It is not the great God dollar that is saving its reputation in the world, but its top brands. The ill-feeling against America for its invasions of Afghanistan and Iraq and its failure to sign ecological or humanitarian treaties has not been enough. Students wear Gap shorts while chanting death to the empire, they reject the American way of life and fill the cinemas to become engrossed in the latest movie from Hollywood, films which show a proliferation of American brands. Whatever the world may think of the United States, its brands still populate the planet because, somehow, they have become part of the world that exists and of the system that causes it to evolve.

Of the top one hundred labels as rated by mankind, according to an annual *BusinessWeek* study, 62 were American (in 2003), with eight in the top ten. The top ten was as follows: Coca-Cola, Microsoft, IBM, General Electric, Intel, Nokia, Disney, McDonald's, Marlboro and Mercedes. Yet, significantly, these positions are by no means stable. In 2003's table, not only L'Oréal, but also Samsung and Toyota posted big jumps, while corporate scandals affected long-standing brands such as Enron, Xerox, JPMorgan, Merrill Lynch and Morgan Stanley.

Furthermore, firms such as Ford and Kodak, firm values in the hit parade until recently, suffered spectacular falls. Ford has been incapable of sustaining sales or bringing out a major model since the Ford Sierra, while Kodak,



France is the most patent example of a Brand/Country.

with its films, has been strongly affected by digital photography and Japanese competition.

On the other hand, at the height of the alarm over McDonald's future due to the anti-obesity campaigns that directly affected a good many of its products, the company reacted by avoiding the worst. Its board implemented a policy of adapting to the local culture and local taste favoured by its customers. Thus, its outlets now serve salads, vegetables and low calorie juices, low cholesterol buns and hamburgers with a minimal fat content (McLean Deluxe). But McDonald's, the archetypal global brand catering to 45 million people a day in 30,000 outlets in 120 countries, also serves its Big Mac alongside a Niçoise salad in France, feta in Greece, fried chicken in Singapore and chicken curry in Great Britain. Its cult Big Mac is transubstantiated into a McLaks in Norway, using salmon instead of meat or a Maharaja Mac in India with lamb, not beef, in deference to Hindus. McDonald's also sells aloo tikka in Bombay, teriyaki burgers in Tokyo, the flatbread McArabia in Amman or kosher McNuggets in Tel Aviv. In spite of the continuing tension in the Middle East, McDonald's had one of its highest turnovers in this region. "We have become a multi-outlet company" said its managing director, Jack Greenberg, in 2000. A multi-outlet company that operates in what the firm calls a McWorld, the symbol of an American flavour shared worldwide. What greater predominance could there be?

The "McDonaldisation" of the world has, since 1986, been reflected in the index used by *The Economist* to check whether international exchange rates have been suitably assessed, but the same may soon apply with a cup of coffee in Starbucks, a company that started out in Seattle in 1987 with 17 outlets, and which Americans today look on as the badge of "good taste capitalism". And good business, too, with close on 6,000 outlets already in 28 different countries.

Turkey, Spain, Italy, Austria and France reckoned that their coffees marked them out as distinguishing features, but there are now thousands of prefabricated Starbucks outlets in the world (pseudo-intellectual, chic, pseudo-natural, bathed in classical music), to the detriment of local institutions. By 2002, even China had 40 outlets, one of them located in the middle of the Forbidden City.

Deep inside America, there is a rough, simplistic, aggressive nation that is represented by George W. Bush's government, but beyond Bush and what he represents, there is a much wider America that can only prosper through interconnection with, and influence from, Europe and interaction with other cultures. Thus, while McDonald's seeks to turn itself into a local entity with less meat and healthier products, Starbucks is spreading America's new image around the world: more subtle, amenable and sensitive. Unlike McDonald's, which started up in 1955 in Des Plaines, Illinois, an industrial state, the Starbucks chain was born in 1987 in Seattle, the signature city of anti-globalisation and the "new economy". Ray Croc, the founder of McDonald's, was a 54-year-old travelling salesman, but Howard Schultz, the creator of Starbucks, was a 33-year-old businessman who began to attack with 15 outlets opening simultaneously. The former was a businessman, the latter, like Bill Gates (Microsoft) or Jeff Bezos (Amazon.com), looks on himself as a creator. One presented something pragmatic, the other a chic experience. Their brands say it all.

McDonald's has five times as many outlets as Starbucks, but analysts forecast that it has reached the limit, while Starbucks plans to double the number of its outlets by 2005. McDonald's recovery will depend on its diversifi-



Starbucks is spreading America's new image around the world: subtler, amenable and sensitive.

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cation, its camouflage, and as such has acquired one third of the shares of the Prêt à Manger chain, and control of Chipotle Mexican Grill, Donatos Pizza and Fazoli; at the same time, it has opened in Taiwan an experimental prototype, McSnack, serving coffee, beverages and pastries à la Starbucks.

In short, what the old McDonald's is trying to do is to shake off its unmissable American image and assume the clothing of a thousand different places. Meanwhile, Starbucks, the most dynamic company in the United States in the last ten years, with the biggest growth on the stock market (2,200%), beating IBM, Microsoft, Coca-Cola, General Electric and Wal-Mart, has donned a camouflage that is particularly European in style, because while McDonald's has suffered the stigma of selling unimaginative junk food, Starbucks offers up to a dozen types of coffee from different countries, half a dozen varieties of sugar or sweeteners and Italian terminology for ordering from the barman.

Starbucks coffee is not the be-all and end-all of coffees. Yet strangely enough, Starbucks outsells good traditional coffee, even in Vienna. Viennese coffee has greater usage value, but it cannot compare with Starbucks in terms of its exchange value. Traditional coffee is loaded with the weight of history, while Starbucks coffee, ostensibly the same, may be drunk without conflict. "Starbucks is turning out to be one of the great 21st century success stories", said Robert J. Thompson, a professor of popular culture at the University of Syracuse, in an interview in *BusinessWeek* (9-9-2002).

An American success story that, unlike classic American successes, is not due to a product that looks American. Although, on second thoughts, it is: it is now the most American concept that anyone could imagine. The most genuine of all American inventions, as the typical feature of *fiction capitalism*, dominated by North America, is the conversion of the item into its double, fantasy as a replica of the real.

Indeed, then as now, the great potential of the United States is not its nuclear weapons, convincing as they are. America's greatest asset lies in its extraordinary ability to sell itself and sell through its brands. Alexis de Tocqueville stated in the middle of the 19th century that he had seen in America "the very image of democracy", but now, its image is the face of the top brands.

The credibility enjoyed by a good many American firms is founded on the basic trust in the country, despite any circumstantial problems. Thanks to this firm foundation, brands have managed to survive critical political moments, but at the same time, their consistency has made people believe that wrongs can be righted. A brand has no prestige if it does not have quality, guarantees, consistency or drawing power.

Indeed, with its Levi's, its Kellogg's or its Harley Davidson, America has not exported items that are useful to a greater or lesser degree, but rather life styles and beliefs. In India, Pepsi Cola saw its local slogan, *Yeh Dil Maange More!* (This heart wants more!), become the battle cry of an army officer in the Himalaya Valley when, during the Kargil War in 1998, his troops defeated the Pakistani forces in a vitally important battle. Under these circumstances, it is no wonder that sales soared. The brand had become one of the national symbols of victory.

Nike ("victory", in Greek) is seeing its sales increase in places as diverse as Jakarta, Paris, Berlin or Johannesburg, in spite of being denounced for using child labour, because even then, the power of its image, together with its self-assured claim for individuality, has been greater. Nike is now Figo or Ronaldo and they are number one: America is the number one that one can be part



The great potential of the United States lies not in its nuclear weapons but in its ability to sell itself and to sell through its brands.

of through the good offices of Nike. And the other way round: Nike's number one refers to the world's star player and to the nation he represents through the international staging of the brand.

Escape from this great media spectacular created by famous American brands is not only difficult, it is almost impossible, because they have been responsible for a popular culture that includes sporting idols, film stars and over half a century's worth of international music and experiences. While Germany's heritage consists of Porsche, BMW or Mercedes, for America it is not only cars or computers that count, but also American Express and Citibank, MTV, Colgate, Yahoo! and Pizza Hut.

Brands are also the series of elements that unite America internally; without them, due to its heterogeneous extension, the country would feel much less unified. Brands create a sense of nationhood through the country's chains of stores, hypermarkets, restaurants, perfume shops, opticians or undertakers. The brand is the loom on which is woven a large part of the national identity, not only with regard to the outside, but also to its own inhabitants. Superbrands mark out the ground and provide it with references, milestones, characteristic symbols with which a common environment is transmitted. This may seem exaggerated, but this is how it is, to such an extent that a good many American tourists who venture abroad go to a McDonald's for lunch or breakfast as proof of the intense collaboration provided by McDonald's in making one feel at home.

"Made in Spain"

And what about Spain? The Spain brand is not so strong as that of other European countries such as Germany or France, but it has a forceful distinguishing nature that, in itself, provides marked potential for "positioning itself". Traditionally, Spain has been seen as an exotic or colourful country, a destination for romantic writers and idealist militants who took part in the Civil War. The idea of an industrial, efficient and responsible Spain is still to be fully developed and it is hard to forecast what its final image will be in view of changing geopolitical relationships and fast communications.

"Spain's best brand is Real Madrid", said Florentino Pérez to *Actualidad Económica* in 2001, but even the Real Madrid brand was only really exploited in recent years. Spain does have brands on the international scene, such as Panama Jack and a whole embassy of retail outlets, including Adolfo Domínguez, Mango and Zara with its various siblings (Massimo Dutti, Pull&Bear, Bershka, Stradivarius, Oysho, Kiddy's Class and Zara Home) which show off Spanish products in dozens of cities around the world.

A few years ago, Loewe had been Spain's chief ambassador for luxury leather goods, but it was always necessary to explain that this Germanic name had Spanish roots. In New York as well, Loewe had problems with the Loewe that manufactured television sets and distributed films. But now something similar would occur when identifying the origin of Panama Jack, Armand Basi or Mango.

Adolfo Domínguez seems to be transmitting the clearest message with regard to its origin, and its products —there are plans to extend the range to furniture, linens, jewellery and sports clothing— are the most likely to create the brand environment that gives the opportunity to be chosen as a style in some sixty outlets abroad, from London to Paris or Hong Kong, always in prime sites in these cities; the same goes for the spectacular case of Zara, whose production, design and distribution strategies have become an example to fol-



The ten brands most identified with the Spain Brand, according to a study conducted by the Forum for Spain's Top Brands in 2004.

THERE'S NO BUSINESS LIKE TOP BRAND BUSINESS

low among firms of this type, including H&M and Gap.

Inditex, the company to which Zara belongs, was only set up in 1985, and by the end of 2004 it had 2,240 outlets, over 1,000 of them outside Spain. In addition, the Inditex Group is made up of over 100 companies linked to the various activities that make up the clothing design, manufacture and distribution business.

Then there is Camper, probably the top footwear design company in the world, which may be found in several dozen countries, although not always with its own outlets or franchises to reinforce the strength of the brand. Even so, Camper is a name with wide recognition and any store that cannot get its hands on a sufficient selection of its models is always careful to announce the availability of the brand in its windows.

Other than these items, however, Spanish presence is excessively dependent on agricultural or seafood products: firstly wine, with Rioja (Marqués de Cáceres) or Penedés (Torres), *cavas* such as Freixenet and Codorníu, and then certain canned goods suffering from bad distribution and worse exposure. As for olive oil, there is still the discrepancy between the fact that Spain is the world's leading producer and its limited exposure, despite the efforts of Borges. However, Don Simón gazpacho, sold in tetrabriks, can be found on display in certain delicatessen windows.

Although Spain began to cast off most of her complexes with the arrival of democracy, and might even be said to have swung completely the other way to have become one of the most liberal nations in Europe as far as homosexuality, transexuality or abortion are concerned, the fact remains that she needs to be less inhibited about promoting her brands.

In spite of the fact that her brands are related to primary activities, a large number of good branded products would particularly benefit from a united policy fed by the growing world prestige acquired by Spain, particularly in Latin America and Europe.

Spain, which has been acknowledged as a political and economic brand that aspires to join a future G-9, should extend this ambition to the promotion of quality products on the global market. A country announces its presence not only on the occasion of major conventions or international conferences, but also in the daily life of the inhabitants of other countries who consume certain branded items and benefit from specific service companies.

With the crisis in Latin America, major companies such as Telefónica and banks such as BBVA and the Santander Group have been doubly affected. Because of the economic situation, they have experienced a cutback in their business opportunities, and in addition, because of nationalistic reactions, they have become the target of displaced aggression, the effect of historical frustration or domestic circumstances.

Even so, these big companies lead from the front abroad, for good or ill, for their own profit and positive publicity for Spain, or as a shock absorber for discontent, when the social, economic or political balance is upset. In both cases, the Spain brand is reinforced in the activity and identity of these names.

A study conducted in 2000-2001 by Young&Rubican in nine countries in Europe and America, revealed that two characteristics of Spain were "authenticity" and "the good life". But on the negative side, there was "little innovation", "low quality" and "poor style". She was considered more reliable than Italy in trade relations, yet with little added value aesthetically and technologically. Despite her rapid development over the last forty years, Spain is still mainly identified with oranges, lemons, wine and *tapas*. Today, perhaps,



Although Spain began to cast off most of her complexes with the arrival of democracy, and might even be said to have swung completely the other way to become one of the most liberal nations in Europe, the fact remains that she needs to be less inhibited about promoting her brands.

Chupa Chups (the world's most recognised Spanish brand), Arroz Sos, Gallina Blanca or Miao might be counted as new ambassadors for Spain; but these are hardly enough to be considered relevant in the overall scheme of things.

In just a few years, Adolfo Domínguez, followed by Zara, Mango, Lois and Camper, have done more to transform this weak image than all previous trade policies implemented by successive ministries and delegations. But at the same time, the growing implantation of big service companies, particularly in Latin America, but also in Portugal and certain parts of the rest of Europe, has given Spain an increasing global presence.

Specifically, these service companies not only their transnational element, but they are also strategically positioned, either in the energy sector (Gas Natural, Iberdrola, Repsol YPF, Unión Fenosa, Endesa), telecommunications (Telefónica, Televés, Terra), the hotel sector (Barceló, Meliá) or in the financial and insurance field (Santander Group, La Caixa, BBVA, Mapfre). Also of sufficient influence to spread the name of Spain are certain construction companies such as Ferrovial or Dragados, who have left their imprint on vast infrastructure projects that often, with time, become local historical references.

Furthermore, BBVA and the Santander Group have managed to merge with long-standing Latin American institutions. In 1995, BBVA set foot in Peru after the privatisation of the Banco Continental and in Mexico with Probur-sa. The following year it extended its presence in Colombia with the Banco Ganadero and in Argentina with the Banco Francés. In 1997 it entered Venezuela as a partner of the Banco Provincial and in 1998, Chile with the Banco BHF. More recently, 2002 saw the merger of BBV Probur-sa and Bancomer in Mexico, to create BBVA Bancomer, the country's leading bank. As a result, BBVA has a network of 7,500 branches worldwide, serving over 35 million customers.

As for the Santander Group, always ready to sponsor cultural and artistic activities, as BBVA has done, it was rated the best bank in Latin America by *Euromoney* magazine in 2002, the second time in three years it has received this accolade. In Latin America, its influence is decisive in countries such as Brazil, Mexico and Chile.

Analyses carried out on the potential of the Spain brand have always been optimistic: Spain is the eighth world economic power, the sixth international investor, the second in Latin America, the second tourist destination and top holiday destination, the fifth car manufacturer, the first in growth with regard to service exports, and sixth in growth overall. This climb in the rankings should bring about a more visible presence on the world stage, but in fact, world presence now depends a great deal on brands, because not only are cities or malls made up of logos in lights, but also leisure centres, stadiums, auditoriums and homes are populated by brands. To put it another way, countries are increasingly judged by the brands that were born and have their headquarters therein, because their items represent an instrumental as well as symbolic commitment, a specific service plus a style in the manner of providing it.

Until fairly recently, believing in an afterlife was all that was needed to live a good life, but now one must also be reincarnated as a brand, and if it is a good brand, even better.

A country speaks for its brands and brands speak for a country in a world parliament where everyone achieves prestige thanks to reciprocal backing. There was a time when countries were rated in terms of their armaments and their territorial extension, but today these two elements can be replaced by the scope and leading role of their brands on the global stage of international trade. Although the world has replaced the devastating force of its arms with the con-

The logo for BBVA, consisting of the letters 'BBVA' in a bold, white, sans-serif font centered on a solid blue rectangular background.

Grupo
Santander

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tagious influence of communication, top brands act as extremely valuable links in the dissemination of emotions and myths that underline the name of the country of origin and intensify its global ranking. All countries can be translated to the language of brands, but the brands themselves are translated into circulating molecules of a country that in this way travels, is implanted and gains an audience. More than any embassy, a top brand clears the way for other products from the same country of origin which has already attained in advance the prestige of the successful pioneer.

Within the overall system of “realistic” fiction under which *fiction capitalism* operates, the war of the brands, its vicissitudes, its strategies and its emotional developments, make up the most interesting and significant spectacle of global trade, involving moods, goals and details of our universalised daily life. Thus the field of brands is far from being an area that involves just businesses; the theatrical system of globalisation has turned consumers and users of the planet into rapt spectators of the changes and vicissitudes of the brands. Brands that have handed on, in this *fiction capitalism*, their condition of being famous names to become true characters in fiction, worthy of epics and sagas, with the ability to create emotions or myths and in the end, to decide, through their intense interaction with the existence of individuals, the imagined destiny of a country, a territory or a continent.

THE art BRAND

«PICASSO» IS THE NAME OF A CAR THAT IS ADVERTISED ON TELEVISION WITH ads in which a young boy paints the outline of the car on the belly of a naked pregnant woman while one of Picasso's mother and child paintings is seen as a poster; in another ad, the robots of an assembly line take on a life of their own and paint an abstract motif on a car's bodywork until suddenly, on the appearance of the foreman, they cover it up with the conventional paint of the standard vehicle.

The logo of a Catalonian savings bank with branches all over the country is a slightly modified version of one of Miró's terrestrial stars. The artist's trademark simple round shapes and saturated colours have also been used to define Barcelona Football Club, the city of Barcelona and as a welcome to the Spanish Parador network.

On the occasion of the centenary of Dalí's birth, various Catalonian newspapers gave their readers crockery, glassware or chess sets in the shape of, or stamped with, the fantasy figures created by the artist. At the 2004 Athens Olympics, the Spanish women's synchronised swimming team based their choreography on Daliesque imagery.

These examples, which have the three greatest avant-garde Spanish artists of all times as their leading players, only go to show something that is indisputable: art and artists serve as an advertisement not only in the consumer society but also in what we have come to call the show-biz society. They personify, as it were, a quality brand.

There is something else, equally undeniable, that occurs in a different way in each case, and with an equally different qualification, but with a common foundation: Picasso, Miró and Dalí are considered to be not only artists, but Spanish artists —however much the French reckon that the former acquired



Mariano Navarro

their nationality and their customs. Without chauvinism or absurd patriotic trumpet-blowing, one can say that they are acknowledged as Spanish artists because they undeniably possess the national features of their fellow-countrymen. But deep down, and this is something that will be discussed in further detail later in this short article, it is because of something much more important, because their art has revealed a way of life which has been set up as being typical of, and unique to, a particular country —Spain.

To put it another way, as well as all the functions that specifically pertain to it —from the purely decorative to the spiritually elevated or socially committed— art or the visual arts serve as a brand that publicises their country of origin, and this has been the case long before the signature was valued in art. The phenomenon of the identification of a country through the iconography it creates goes back decades and centuries before the fact that the painter might have been called Diego Velázquez, Pablo Picasso, Joan Miró or Salvador Dalí.

By way of explanation, the most primitive example will serve. When we think about prehistory, the first comparison that comes to mind, the way we infallibly “see” it, as it were, is that of the image of the bison at Altamira.

We might logically think first of Atapuerca and the palaeoanthropological remains to be found in the mountains near Burgos, which reveal human presence there almost a million years ago. Yet neither the cannibalistic *Homo antecessor*, nor the younger *Homo heidelbergensis*, whose bones have been unearthed recently, and whose characteristics suggest that they had a primitive language and believed in an afterlife, are of such interest or, perhaps, so close to us as that anonymous artist who is believed to be the main painter of those polychromatic cave images.

A living artist, who is also a friend of mine, Carlos Franco, once said to me when looking at these cave paintings that, to a certain extent, in the more than thirteen thousand years since those animals were painted and today, painters have merely sought to recapture that synthetic capacity of the look and that precise pictorial expression that makes a graphic representation indelible over the passage of time, and at the same time, significant, at historical moments that were very different and very far apart. We may assume that the emotions and excitement we experienced were not the same, yet very similar to those that moved anyone who saw them all those thousands of years ago.

The Altamira bison, although hidden from human sight for thousands of years, have been, since their discovery in 1876, and their subsequent authentication, the most perfect testimony of a symbolic and magical intelligence that is close to ours.

It is still surprising, however, that one of the main animals in the paintings, the bison, has been for decades the image of a brand of cigarettes in Spain; this led the Equipo Crónica group of artists to organise, in the 1970s, with reproductions of the bison and some of Pablo Picasso’s figures, a veritable *Ruedo Ibérico* or tour of Spain. A “Valle Inclanesque” metaphor for the advantages and disadvantages of being Spanish.

We might go back in time to a Spain that as yet did not exist as Spain, to the tenth century, when the Andalusian Caliphate was responsible for Cordoba being the most remarkable city in the West, and ambassadors who visited it would return to their countries of origin overwhelmed by the delights and exquisiteness of Medina Azahara and the Mezquita; or, five centuries later, to the Nazari kingdom of Granada which was completing, after almost



”la Caixa”

Brand logo of “la Caixa”, inspired by a work by Joan Miró.



When we think about prehistory, the first comparison that comes to mind is that of the image of the bisons at Altamira.

two hundred years of building work, the Alhambra, with its stunning rooms and gardens. The permanence of these architectural monuments and their exceptional nature have set the Spanish apart from the rest of Europe, conferring on them that “Arab” cognomen that foreigners never cease to remind them about. And it is true that when visitors go to Spain, their judgement and spirit are more influenced by the endless maze of columns and the geometric filigree of walls and ceilings than by the seven hundred years of difficult coexistence between Christian and Arab kingdoms, not forgetting the Jewish population, that formed Spain’s idiosyncratic character.

But as it is impossible in the limited space available here to record all the artists, movements and artistic tendencies that have provided this two-fold identity—the artist as Spaniard, the Spaniard as the artists have rendered him—let alone define all their features over time, we shall focus on certain eras or times and patterns and events which, because of the differences between them, will at least give us a summarised idea of the evolution and development of the step-by-step, disseminatory and even controversial and paradoxical function that art has fulfilled and interpreted.

There is a wise proverb from the Far East that says that a picture is worth a thousand words, and without any doubt, what we are is more how we appear in the eyes of others than what we ourselves reveal.

Royal Wedding

The contemporary events that have done most to put Spain on the map—I prefer to exclude the horrors of the Civil War, which everybody knows about—have been the Barcelona Olympics and, to a lesser extent, the World Fair in Seville, among those held in the last century, and at the beginning of

the 21st century, the Royal Wedding of the Prince of Asturias, don Felipe de Borbón y Borbón, “to a commoner”, doña Letizia Ortiz Rocasolano, which was held in Madrid on 22nd May 2004 (although the weddings of his two elder sisters, the Infantas Cristina and Elena, had been held previously, the wedding of the heir to the throne logically received much more media attention, as well as having political and social implications that are beyond the remit of this article).

Briefly, the mass events of the 20th century —the logo of the ’92 Games was a mixture of Miró and Calder, that of the Expo was reminiscent of the old Spanish newsreel logo— have left us with the transformation of the urban landscape in the two cities, a good number of outstanding buildings and the Olympic mascot, Cobi, whose designer, Mariscal, one of the leading lights on the Madrid scene in the 1980s, became a household name worldwide.

The Prince’s wedding, however, provides us with a marvellous opportunity, and not only because it is a relatively recent event, to detect the symbolic and iconographic aspects with which a country aspires to invest itself, as well as the contrast between the official apparatus, as it were, of this image and its civic and economic reality.

It should not be forgotten that it was considered by the political, economic and media establishment as being a unique opportunity to transmit a modern idea and image of Spain internationally, and specifically of the active pulse of its capital, Madrid. It even came to be announced, in a statement that was a snapshot of the social mood at the time, that the extravagant expenditure for this event was considered to be “a highly profitable investment”.

In an official statement, the Government “applaud(ed) the image of modernity and efficiency once again transmitted by Spain. Thousands of millions of people all over the world have seen how the renovation and continuity of our Monarchy are associated with the reality of a dynamic and democratic country”.

In the matter that concerns us, what part art played in this representation of Spain’s image, the wedding provides us with a situation that clarifies the paradoxes and contradictions of the current understanding of what art is, and of its complex relationships with the various powers that make up the State; there is a certain incompatibility that closely affects the contribution of artists to the creation of a “national” image.

If we examine, for example, one of the main ingredients of the wedding ceremony, the music, we see that the most modern of the composers whose music was played during the ceremony was Juan Crisóstomo de Arriaga, a student of Luigi Cherubini, known as “the Spanish Mozart”, who died in 1826, before he had even reached his twentieth birthday.

With regard to my particular field, the visual arts, and I refuse to include in this category the paintings in the apse of the Almudena Cathedral, which



the Church saw fit to commission from an amateur, though self-professed practising Catholic —something which provoked a rare communiqué from the San Fernando Royal Academy of Fine Arts¹ and some over-the-top, not to say scandalous comments praising the work of the unqualified dilettante from the deputy director of the Prado Museum, Gabriele Finaldi—, the contemporary aspect was conspicuous by its absence.

Even the decoration of the capital's streets along the route taken by the couple suffered from this lack of connection with the present time; the media provided the globe with deceptive images of a city dressed up to the nines, or as the historian Estrella de Diego put it, “in its Sunday best, disguised as a prudish Las Vegas... [...] an impossible route, with mock mediaeval central Italian decorations whose only effect was to make it look like an ad for a 1950s American ice cream parlour”².

Although they could not get the decoration or music right, nor could they keep up the age-old tradition of ephemeral architecture, it is also true to say that those who did leave the stamp of a State and a people that compared favourably with the rest of Europe, a modern Spain “brand”, and also of a nation that was very different to the one that the heir to the throne was born into, were, surprisingly, the chefs Juan Mari Arzak and Ferran Adrià and the couturiers Manuel Pertegaz and Lorenzo Caprile, all four of whom are considered to be creative innovators in their respective fields.

It is true to say that the changes that have occurred in catering and gastronomy, as well as in design, can also be put down to changes in the spending power and habits of the Spanish, but the fact that these four are the ones that are mentioned the most —as well as some of the colleagues in their profession— also indicates a substantial and deep-rooted change that affects, firstly, the potential of art and culture and what makes them advertising elements —be it of a crown, a regime or a particular country— and secondly, it is the social and productive forces, private (if not individual) initiatives that, to a certain extent, are making inroads in the globalised market of today.

In other words, Arzak and Adrià are more likely to grace the covers of large-circulation magazines and newspapers, as is one of the top international architects —Moneo or Calatrava— not to mention big names in the film world such as Antonio Banderas, Pedro Almodóvar or Alejandro Amenábar, than a visual artist on his own merits. Arzak and Adrià also contribute to the dissemination and understanding of culinary features that are dependent on Spain's particular geographical characteristics, the architects transmit her technological potential, and the film-makers give credibility to the human sensitivity, altruism, good humour and warmth of the Spanish. The visual artist, for example Miquel Barceló —internationally the most famous living Spanish artist, even more so than the great maestro Antoni Tàpies— is out there on his own, playing to the world the clichéd role of the solitary genius that has been attributed to the Spanish.

Titian and Velázquez, painters of the rich and famous

Let us take a moment here, without being overly scared of stating the obvious, to define the popular view of the perception and concepts of what constitutes the Spanish. We should make clear at the outset that these notions are relevant prior to the setting up of nation-states as such, but it is also true to say that it is only when they have defined their geographical boundaries and, as it were, their ideology and customs, and after obtaining or consolidating their respective independence, that we can talk about particular stipulations



The designer, Manuel Pertegaz, at a retrospective exhibition of his work in the Reina Sofia Gallery in Madrid, February 2004.

or recognition. In this case, more than a Spain-Brand, we would have a Brand-State that would establish a recognisable image of itself.

Absurd as it may seem, an image of the Spanish as arrogant and haughty, strict, intolerant, bloodthirsty and fanatics of the Catholic faith comes from the image that was transmitted, in imperial Spain and during the fall of this Empire, in other words, over more than a century of absolute monarchy, by the Hapsburgs. It should not be forgotten that, deprived of an identity of their own, the subjects of the kingdom, including those in the highest positions, were considered then to be mere “imitators of the portraits of kings”, whom they were supposed, and indeed aspired, to emulate³.

This explains why Carlos V made his portrait into a broad political programme, in which the role of Daedalus was fulfilled by Titian, the artist who specialised in “images of the rich and famous”⁴. The Venetian artist captured “the heroic majesty” of the Emperor Carlos V, linking it to his wide-ranging military power, his high aristocratic rank and, at the same time, his desire for peace—closely related, then as now, with military victory. The famous equestrian portrait that hangs in the Prado Museum, *Carlos V at the Battle of Mühlberg*, is a perfect example of this idea⁵, as is Leon Leoni’s statue of the Emperor, *Carlos V and the Fury*, stripped of his armour and represented as Hercules, one of the naked heroes of classical antiquity.

Titian was to do the same, accentuating even more the political aspect, for Felipe II, whom he portrayed not only as an omnipotent sovereign, but as the one who collaborated in the dissemination of the draft ideas of the Council of Trent. The extremely close links between the monarchy—the mirror of the country—and Catholicism as the route and goal of royal policy, were even closer during his reign⁶.

It is not surprising, then, that when referring to the work of one of the monarch’s favourite painters, El Greco, John Richardson—Picasso’s biographer—found in the artist’s thin, disjointed spirituality features that represented “Dark Spain’s” faith, ecstasy, anguish and the morbid fascination with sin⁷. This was the Spain portrayed in the writings of Kant, Goethe, Montesquieu and Voltaire.

Sternness of character and a certain obligatory simplicity in the gait, as well as, from a more metaphysical viewpoint, a realistic view of the surroundings, people and things, may well have come from the various impressions given by Velázquez’s work; some of these impressions were from his own lifetime, others were formed after the collapse of his fame during most of the 18th and 19th centuries, a fame later reborn and extolled first by Manet and his French followers—and therefore quickly extended to England and the United States—and then, internationally, as a result of the exhibitions held on the tricentenary of his birth, in 1899.

It was not only his portraits of his mentor, King Felipe IV, that permanently established Velázquez’s austere and expressionless image; on the occasion of another Royal Wedding, between the king’s daughter, María de Austria, and the King of France, Louis XIV—which with the signing of the Treaty of the Pyrenees, engineered by the ministers Luis de Haro and Cardinal Mazarino, led to the Spanish throne passing from the Hapsburgs to the Borbons—Velázquez, who by virtue of his court position as *Aposentador Mayor*, was put in charge of the decoration and other details of the ceremony, set the Spanish rules of decorum and modesty against the French showy pomp.

Madame de Motteville, who was a guest at the ceremony, was surprised, for example, “by the fact that Felipe IV arrived [at the Isle of Pheasants, on the



The Spain of ecstasy and anguish was portrayed by El Greco.

border between Spain and France] without being announced by a fanfare, accompanied only by a small number of people who were wearing clothes with less embroidery than the French, but decorated with precious stones denoting the social status of their owners”⁸.

This view was echoed by the chronicler, Leonardo del Castillo —author of the *Relación panegírica de la jornada de don Luis Méndez de Haro y señor Iulio Mazarino a la conferencia de los tratados de paz*, published the same year, 1659, in which he describes in detail how the painter worked— when he noted that the Spanish, in their modesty, “clearly showed the good, or bad parts of the body, the perfections and the blemishes”. He was thus emphasising the honesty and naturalness of his compatriots, as against the “multiplicity of colours, freedom of vestment, abundance of plumes and ribbons of the more ostentatious and grandiose French”⁹.

An invaluable testimony of this event is to be found in a small oil on copper painted by Adam Frans van der Meulen, based on a drawing by Charles Le Brun, which Frenchified the bearing and attire of the Spanish, which warranted an adverse comment from Louis XIV: “You have transgressed against the historical truth and sacrificed Spanish seriousness to French courtliness”¹⁰.

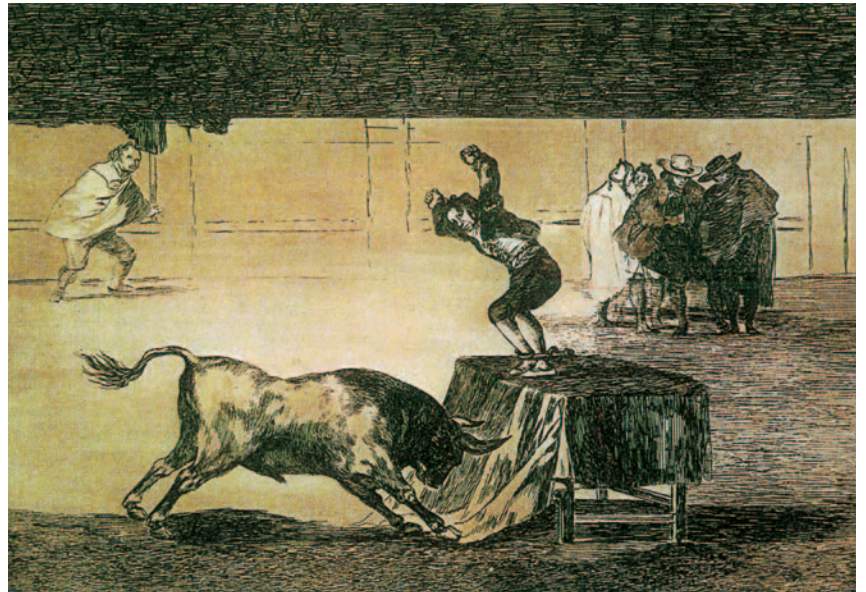
Goya and the modern man

While we might say, admittedly somewhat frivolously, that History up to the 18th century was the story of kings, from that time on it was written, with their collective acts, and judged, with their consciences, by the common people.

First it was English travellers, such as Richard Ford, around 1830 —only two years after the death of Goya— and particularly French writers, such as Théophile Gautier, who invented the crude, yet venturesome, notion of a magical south inhabited by bull-fighters and gypsies, singers and dancers, alongside monks, bandits and soldiers. This was the oft-touted clichéd romantic image of Spain, superimposed on the Spain of Dark Legends, and both shaped a Janus that was equally disturbing on either face.

It was an exotic Spain, linked to an Eastern past, inhabited by people who did not observe the laws, passionate people, with a criminal touch, whose honour lay in their primitive customs, and who clothed their dignity in anarchy and resistance. And it was also —and this time it was certainly for the artistic virtues and moral precepts that sometimes guided them— the modern ethical Spain, whose influence was to run through the subsequent centuries, spreading the human values and qualities that were required not just of the Spanish, but of their contemporaries elsewhere.

The person who did manage to connect his art with the extreme reality it was his lot to experience, and who also, through his engravings and paintings, carried out a biting, sarcastic critique of the society of his time, was Francisco de Goya. We may deduce that the editions of *Los Caprichos* and *Los Desastres*, as well as a large proportion of his paintings, profoundly and extensively transformed foreign perception of how the Spanish thought, if not the perception of the Spanish themselves.



Goya's works profoundly and extensively transformed foreign perception of how the Spanish thought.

Nigel Glendining suspects that it might have been Adelaïde de Montgolfier who, a few years after the artist's death, wrote a review in 1831 whose words perfectly reflect the purpose of this article: "Just one man, Francisco Goya, has managed to give a true and authentic idea of his country. He was fully cognisant of the vices that undermined Spain. He painted them because he hated them, with a bitter, biting passion. He was a Rabelais with the paintbrush or burin in his hand, but a Spanish Rabelais, basically serious, whose jokes make us shudder. Laughter is too facile a sensation, and when he satirises in his magnificent sketches, he does so with a steel-tipped dagger, making our skin creep and causing us to tremble. A Goya is more eloquent than any of the tales told by travellers who have visited Spain"¹¹.



"A Goya is more eloquent than any of the tales told by travellers who have visited Spain"

In contrast to the folksy iconography illustrated by the romantics were the left-handed guitarist, the supine bullfighter and the girl painters (no more prostituted *majas*) leaning over the balcony, in the paintings of Manet. In the same way as *The Moncloa Shootings* and *The Disasters of War*—whose full title was *Fatal Consequences of the Bloody War against Bonaparte and other Allegorical Caprichos in 85 prints designed, drawn and engraved by the original painter D. Francisco de Goya y Lucientes*— they invent and depict a new sensitivity, longer-lasting, that is on the side of the victims and denounces the oppressors, recriminating and accusing all human beings for their tolerance of cruelty and barbarity¹².

Thus the clichéd vision was pushed aside by moral innovation, to the extent that the Goya effect was to have a decisive influence on all subsequent works that censured war and amplified its cry of condemnation of all wars¹³. Picasso continued Goya's work, not in an aberration of stylistic judgement, but because of the thematic sequence that pairs them: the famous *Guernica* poster to be found in the houses of pacifists all over the world, and of a style that is completely different to that which we mentioned in the first paragraph of this article—not only acknowledges the disasters of the Spanish Civil War, but also renders this barbaric act as a symbol of the systematic ferocity of man. Even decades after it was painted, its imagery—like that of the helpless firing squad victims of 3rd May 1808— was similar to the feeling of the Spanish people in their demonstrations against the recent war against the government and people of Iraq. The Spanish were identified with the painting to such an extent that the us authorities covered up a tapestry version that had been hanging for years in the United Nations building, so as to shut out the protests of the Spanish people and stop other people hearing them.

Strangely, in both cases, but particularly with Picasso's painting, the artistic work was planned and conceived as an act of political propaganda, a statement of a way of being and living, and of beliefs, before it came to be called a work of pure art.

The black and white expanse of *Guernica*, which was displayed, at the beginning of the Civil War in the Spanish Republic Pavilion at the 1937 Paris World Fair, alongside the violent expression of Miró's *The Reaper* and the shriek of panic of Julio González's *La Montserrat*, was, with its warning of what was threatening Europe, in marked contrast to the German pavilion's monument to fascism, designed by Albert Speer, and the mockery of the workers' revolutionary force of the equally megalomaniac Russian pavilion. The bull and the horse, with their overlapping allusion to the bullfight, turned the sacred barbarism played out in the bullring into "a symbol of repudiation, at the very heart of tragedy, against any demonstration of blind destruction that crushes innocent beings"¹⁴.



The History of Spain is reflected in the network of Tourist Paradors.
The Parador at Baiona.



Picasso's vast mural has been dubbed by artists and critics alike as being "the last painting in History", the one that took the genre *par excellence* of art, if not to its summit, at least to its conclusion. There is undeniably a huge distance between the vindication and extolment with which Titian represented Emperor Carlos and the anonymous and collective anguish that Picasso shows in the massacre committed in the Basque town; but in both cases, paradoxical as it may seem, what the viewer sees is not only a specific figure or event, but a figure and event that affects a whole people, every people.

It goes without saying that the dictatorship set up in Spain after the Civil War was quick to use art or the arts as propaganda or promotion, in a two-fold manner. At home, especially during the first twenty (twenty!) years, the Franco regime first gave prominence to certain Italian and German fascist excrescences, and then to a naturalism that was stripped of any realist connotations; meanwhile, for its external image, the aim was for art to be the vehicle of intellectual recognition, in the hope that the innovative face of the post-avant-garde—or the imperial pain of those who had been wounded more by the situation than by history—could mask the perverse face that actually pertained to it.

Wittingly or unwittingly, the authorities of the time were copying what the CIA and the State Department had encouraged in America: the promotion of the abstract expressionist generation as a model of freedom as opposed to the ideological doctrination of the art of the USSR and the Eastern bloc.

The research carried out by Eva Cockcroft and Frances Stonor Saunders¹⁵ in this field suggests that the correlation between contemporary art and civil liberties, youth and quality, private and institutional support for ground-breaking artists as a passport for cultural consideration—which included the acquisition of their works from the start of their careers—and, finally, their predominance in the cultural media and appearances in the society columns—all phenomena that still hold as making up the structure of the avant-garde today—originated in a painstaking programme that was designed to introduce, at an international level, the New York School as a political counterbalance to the communist regimes.

Strangely enough, the battle between figuration and the abstract was converted just then into the struggle that each artist had to undergo to achieve

What the viewer sees is not only a specific figure or event, but a figure and event that affects a whole people, every people.

his liberation and join the ranks of undisputed modernism. Even in that gloomy Spain, at the same time as in other democratic countries, though naturally not with regard to economic, political or cultural affairs, the abstract became the trend-passport for acceptance of the regime by the international community.

But what is really striking is that to disseminate their names abroad, the Spanish artists who took part in that hesitant, shaky opening up were from the outset, and quite deliberately, classed alongside the “great Spanish tradition” of the Golden Age and then the unique figure of Goya.

For example, among the members of the “El Paso” group, Antonio Saura was compared to Goya; Manolo Millares, to Valdés Leal—the artist from Seville who painted the most disturbing deaths in history; Manuel Viola, to the vitriolic El Greco, and Manuel Rivera, to the quiet Zurbarán. The critic, Carlos Areán said: “[Through informalism], the soul of Spain, once again stirred by universal winds, as in the times of Velázquez, Goya or Picasso, is shaping a new view of the latest world problems, a view that although in certain aspects is exclusively and profoundly Hispanic in nature, possesses in other aspects an extensive universal dimension which had been denied to Spanish painting since the fateful time when Goya had to go into voluntary exile, to seek in the welcoming land of France a climate that was more favourable for him to freely express his turbulent world of chaotic forms”¹⁶.

Indeed, the *El Paso Charter*, which announced the group’s foundation in March 1957, stated: “Our purpose is to lay the foundations of a future universal Spanish art in which certain characteristics maintained as permanent in Iberian art through the ages predominate [...]”.



Almost certainly, Salvador Dalí was the first artist to consider himself a brand.

The Dalí brand

Almost certainly, Salvador Dalí was the first artist to consider himself a “brand”. As early as 1928 he compared his eye to a “Zeiss” lens, used on cameras of the same name. “An eye that has no lashes, an anaesthetic eye”, he said. An eye that was constantly watching and contemplated, without blinking, from his drowsy consciousness.

If we compare what Picasso and Dalí were doing in that May of 1937 which we referred to earlier, we see that while the former was sketching out and painting *Guernica* in his studio in Paris, the latter—who had just spent April in the snow in Switzerland and Austria, following his first visit to Hollywood, where he wanted to paint Harpo Marx—was beginning his collaboration with Elsa Schiaparelli, for whom he designed his still-famous shoe-hat, rib-hat and inkwell-hat, lobster garments, the jacket and skirt with drawers and skeleton and ripped-dress fabrics. The latter, as a good example of the fertile relationship between art and industry, served as the binding for the two volumes of the catalogue of the Dalí retrospective in the Georges Pompidou Centre.

This was not his only first-hand incursion into design. Having stated his intention of “becoming the food of the masses” and “Dalínising the world”¹⁷, he also did window dressing, setting up installations, he designed ties, perfume and liqueur bottles, advertised all types of products from chocolates to stockings and, as I have mentioned previously, made himself into a brand, to the extent that he came to publish, in 1945, a newspaper, the *Dalí News*, devoted exclusively to himself. But this advertising, as Félix Fanés notes, “was not without its irony, as in a spoof advertisement for a spoof medicine, *Dalinal*, which showed a huge cartoon similar to the “Great Masturbator” and the legend: “Do you suffer from ‘periodical’ intellectual sadness? Aesthetic depres-

sion, fatigue, aversion towards life, manic depression, congenital mediocrity, gelatinous idiocy, diamond kidney stones, impotence or frigidity? Take *Dalinal*, the artificial spark that will rekindle your spirit”¹⁸.

I firmly believe that *Dalinal*'s effectiveness was uncertain, but what is undeniably true to say is that no contemporary artist, except perhaps Andy Warhol and Damian Hirst, the latter light years from the others, has understood the significance and relevance of the ramification and automatic spreading of advertising as Dalí did, as it no longer promotes just items or merchandise, but also internalised images of, among other things, freedom, security, independence and prestige.



The French writer Michel Houellebecq claims that in the present that it is our lot to live in, there is only one known possible paradise: the supermarket. A social milieu in which, said Andy Warhol, it did not matter how far away you were from your own country, or which country you were actually in, as in the supermarket, items in themselves disappear, in fact, behind their brands. Brands which exhibit on the shelves and in the shop windows of the world the same labels. While Dalí wanted to be devoured as food offered to the masses, Warhol discovered that what people wanted to eat was not unlabelled meat, but real Warhol-food; with a brand, with or without designation of origin.

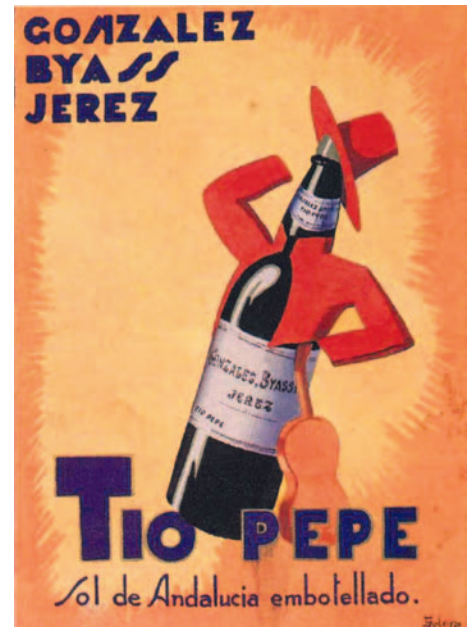
Rem Koolhaas has predicted what might be the near future of our cities and inhabitants. What he calls the “generic city”, in which the signs of cultural and historical identity gradually disappear, to be replaced by a continuous present that can be shaped and adapted to the economic needs of contemporary globalised capitalism.

Every city will be unrecognisable, or rather indistinguishable from all other cities – with their particular monuments buried in indifference and with no cultural infrastructures, such as new museums, auditoriums, etc., to give them the power of seduction. “Only in the airports, key locations in the cementing of this [urban] scheme, would emphatic use be made of regional identifying codes, although at only for tourism, with the phantom notion of departure, arrival and travel being maintained”.

The space generated by the new city inhabited by individual consumers in the *polis* and collectively in the network will be what Koolhaas calls “junkspace [...] This space would have its typical incarnation in the mall. Junkspace is a space with no distinction, lacking a structure to keep its hypothetically infinite sections united, except for one unifying factor: air conditioning [...]”.

“Shopping”, says Frederic Jameson, one of the prophets of post-modernism, “acquires in the contemporary *polis* an almost ontological dimension. What else is there to do except work? Shopping structures time, space and the shape of the contemporary city, homogenising all its spaces: from the airport to the museum and the cathedral. In more and more cities, including those in ‘old’ Europe, the real city centre has moved to the mall, if the centre itself has not turned into a mall”¹⁹.

However, the phenomena of the creation, consolidation and dissemination of an image or brand that are coherent with the hopes and ambitions of peoples and institutions —whether public or private— or of personal initiative, not only maintain a parallel force similar to those analysed previously, but they tend to increase and seek new inroads into people’s everyday lives or the sym-



Tio Pepe represents tradicional Spanish values.

bolic imagery of their collective decisions. By way of example, here are two recent cases, one large-scale, the other small-scale.

The European Union, aware of the fact that its collective public image was, if not in question, at least blurred among the inhabitants of the member countries, decided to create and disseminate a new image that would be as unique, interesting and dynamic as it believed the institutions that it consists of was. To this end, during its Presidency, the Netherlands called on one of the most innovative architects of recent years, in fact the previously-mentioned Rem Koolhaas. The Dutchman's first idea —and we have already mentioned his pessimistic vision of the near future— was to design a new flag which grouped together, in the style of a barcode, strips in the colours of the member countries, thus providing an emblem of a vast consumer collectivism.

Interestingly, in the exhibition to present the flag, the images representing Spain were photos of the Prime Minister, Rodríguez Zapatero, the eight women in his first cabinet, Real Madrid, Holy Week, the Tomato fiesta in La Rioja, the National Lottery, bullfights and the figures of Picasso, Dalí, Buñuel, Gaudí and Antonio Banderas; there were also allusions to ETA and a tribute to the victims of the March 11th train bombings.

Koolhaas said in the Barcelona newspaper, *La Vanguardia*: “The idea was to capture the schizophrenia of Europe, which on the one hand stands out for its extreme vulgarity, its hedonism and its lack of shame, and on the other, it is a rich storehouse of history”²⁰.

This is not so unusual; during George W. Bush's first term of office, the republican administration appointed —although it would probably be more accurate to say, contracted— to the post of Under-secretary for Public Diplomacy and Public Affairs, a woman who was professionally acknowledged as one of the best brand managers in the US, Charlotte Beers. The Secretary of State, Colin Powell, justified the government's choice with these arguments: “There is nothing wrong in turning to someone who knows how to sell something. We are selling a product. We need someone who can create a new image for American foreign policy and diplomacy. She got me to buy Uncle Ben's rice”²¹.

Naomi Klein, in an article about this, states that Beers' dealings were a “spectacular failure”, but even if we think on the fact that the prodigious executive's main concern was how to extend and disseminate the so-called “American values”, and the importance they had acquired in the recent elections, as well as their dangerous expansion within conservative political forces around the globe, I would certainly not venture to be so biting categorical as Klein.

Beers maintained that one of the main problems with country branding was that, in the American case at least, the inhabitants of other countries do not have a single and homogeneously defined image of it. This is substantially different from the usual process of implementing a commercial brand, which is based on the “one-way transmission of rigorously-controlled messages, disseminated in their most attractive form, and subsequently hermetically sealed to isolate them that might turn this corporate monologue into a social dialogue”.

This is why, for example, according to a recent study, the Japanese think that anything Spanish seems to have a “special smell”, different from all others in European countries, which is particularly attractive to them.

The second case, although on a much smaller scale, is very similar: the new team kit for a historic football club, Athletic de Bilbao, to be worn in UEFA Cup matches, was the work of a young visual artist, Darío Urzay (b. Bilbao, 1958). The press reception, as might be imagined, was mixed —an innovation for some, heresy for others— but the “work”, that is to say, the eleven strips,



THE ART BRAND

are now part of a collection in a gallery, the Artium in Vitoria, while the artist has been invited to take part, with his project, in an exhibition titled *Idalimitari (Twelve Artists Prowl Around the Limits of Daliness)*, which brings us back to the Dalí we commented on earlier.

What is most pertinent here is how Urzay justifies his intervention: “When Athletic plays with this shirt, you associate it with the new Bilbao, the Bilbao that rid itself of prejudices and transformed the city admirably. The Bilbao of the Guggenheim, art, avant-garde architecture. It implicitly takes you to the new Bilbao, an object of controversy not so long ago. And another consideration, it is advertising without advertising. It is contemporaneity”²².

When a shirt, pair of shorts and socks become museum pieces, the convergence between high culture and the market is finally completed, and at the same time this convergence is very similar to, or the same as, the ideas of widely separated artistic institutions, or at least definitively shapes the personalities of factors which apparently have nothing to do with it. For example, new museums or those that are refurbished all include two features that give them their particular character: the shop and the restaurant.

One of the main problems with country branding is that the inhabitants of other countries do not have a single and homogeneously defined image of it. Guggenheim Museum Bilbao.



The former, with its homogeneous stock —pins, headscarves, pencils, folders, t-shirts, prints, etc.— acts, paradoxically as an element to propagate and disseminate the centre’s existence and activities.

The latter invite the visitor to prolong his visit. For example, the Guggenheim in Bilbao repeatedly advertises the fact that its restaurant —where it is difficult to get a table— is run by Martín Berasategui, and the refurbished MoMA in New York re-opened on West 53 Street with the news that Danny Meyer, one of Manhattan’s star restaurateurs, had been put in charge of the kitchens of the four new restaurants located on different floors of the building, to compete, as a diversion, with the works on display. Glenn D. Lowry, the museum’s director, clearly expressed the change in pattern in an article in the New York Times: “The art and the food are utterly complementary. The better the food, the more intense the museum experience [...] We wanted to encourage people to spend as much time as possible at the museum —a whole day would be ideal”²³.

¹ “These modifications, in the opinion of the Academy, spoil the look of the Cathedral’s apse. Therefore, the Board deplores the fact that the works recently commissioned by the Cathedral Chapter for the interior decoration of such a significant architectural monument have not been carried out with the requisite minimum stringency and professionalism”. The Academy also stated that the same stringency and professionalism should have been insisted on in the Madrid City Council’s commissioning of a musical work for the wedding of the heir to the throne. (*Music for a Wedding*, by Nacho Cano).

² Estrella de Diego, “Madrid-Las Vegas”, *El País*, 22nd May 2004.

³ So says a graphic description by Juan Bautista Aguilar, dated 1688. Fernando Bouza, for his part,

expands the concept: “In general terms, in the 16th century, ‘setting one’s eyes on the King’ was by way of a consummation of the human gaze. As if talking of a hierarchy of viewing, anyone who saw the majesty of the monarchs who crowned the scale of the powers of this world, was praised as being someone who had surpassed all other human views”.

⁴ Fernando Checa, *Tiziano y la monarquía hispánica*, Editorial Nerea, Madrid, 1994.

⁵ Concerning the similarity between idea and authenticity, as well as how the concept operates within the portrait, there is a good description by the chronicler Luis de Ávila y Zúñiga of the king on the days the battle raged: “The Emperor was mounted on a dark chestnut Spanish horse [...], he wore crimson velvet fin-

ery with gold trimmings, with white and gold arms, with nothing else on them but for a wide band of crimson taffeta with gold stripes, and a German helmet, and a half spear, more like a dagger, in his hands. It was like what they write about Julius Caesar when he crossed the Rubicon and uttered those famous words [...] That great victory was attributed by the Emperor to God, as being by His hand; and thus he said those three words of Caesar's, changing the third part as a Christian prince should [...]: "I came, I saw, and God conquered". Fernando Checa, *op. cit.*

⁶ For how the image of Spain was perceived in Europe at the time, or at least how it was seen by those who wished to flatter the king, there is an unusual map, engraved by Heinrich Bunting in 1581: Europe has the form of a maiden, the crown on her head is Spain and her heart, the Hapsburg dynasty, her right arm is Italy and the globe in her right hand, Sicily. Everything important depended on the king. Reproduced in *Venecia e la Spagna*, Electa Spa, Milan, 1988.

⁷ Jonathan Brown *et al.*, *Picasso and the Spanish Tradition*, Editorial Nerea, Madrid, 1999.

⁸ José Luis Colomer, "Paz política, rivalidad suntuaria. Francia y España en la isla de los Faisanes", *Arte y diplomacia de la Monarquía Hispánica en el siglo XVII*, Fernando Villaverde pub., Madrid, 2003.

⁹ José Luis Colomer, *op. cit.*

¹⁰ José Luis Colomer, *op. cit.*

¹¹ Nigel Glendining, *Goya and his Critics*, Yale University Press, 1977.

¹² The German Richard Muther, who compares Goya to Goethe and Schiller—whom he identifies with the race of Prometheus—, states that: "A marvellous stroke of fate decreed that the most powerful figure of the storm and tumult that constitutes art history [...] should be born in the most Mediaeval nation in Europe, on Spanish soil. The greatest possible reaction against a courtly and mystic art, more catholic than catholicism itself, came about in the figure of Goya".

"Francisco de Goya preached nihilism in the home of faith. [...] Spanish art, which began with a blind piety, was made free, revolutionary and modern through Goya". Nigel Glendining, *op. cit.*

¹³ Including artists and works as recent as the controversial English Chapman brothers, Jake and Dino who, aware of the impact they would cause, did not hesitate to reinterpret Goya's engravings, either by painting over them or taking them to a third dimension, gore. Their work, *The Marriage of Reason and Misery*, is based on the idea that "Goya does not represent the Spanish national spirit. We see his work in terms of History and Modernity. [...] Goya experienced reason as an energetic violence, as an atrocity. He was a man conscientiously infected by the enlightened values of the invading Napoleonic troops, but he was also loyal to the religious and superstitious values of the Spanish monarchy, and that is why the *Disasters of War* has remained as a deliciously ambiguous work up to today." Ángela Molina, *El País*, Babelia, 24th April 2004.

¹⁴ Javier Tussell, "Picasso, *Guernica* y los años de la Guerra Civil española", cat. *Picasso: Guerra y Paz*, Instituto de Cultura de Barcelona, Picasso Museum, Barcelona, 2004.

¹⁵ Frances Stonor Saunders, *Who Paid the Piper? The CIA and the Cultural Cold War*, Granta Books, 1999.

¹⁶ Carlos Areán, *Veinte años de pintura de vanguardia en España*, Madrid, 1961.

¹⁷ Félix Fanés, "Dalí, cultura de masas", in Various Authors. *Dalí. Cultura de masas*, Fundación "la Caixa", Fundació Gala-Salvador Dalí, Reina Sofía Gallery, Barcelona, 2004.

¹⁸ Félix Fanés, *op. cit.*

¹⁹ All the quotes are taken from Jesús Carrillo, "Habitar y transitar; reflexiones sobre los espacios de la vida", en Juan Antonio Ramírez y Jesús Carrillo (eds.), *Tendencias del arte, arte de tendencias a principios del siglo XXI*, Editorial Cátedra, Madrid, 2004.

²⁰ "The EU undertakes the search for its image, with the help of Rem Koolhaas", *La Vanguardia*, 14th September 2004.

²¹ This note and the one that follows comes from Naomi Klein, "The Spectacular Failure of the USA Brand", cat. *De Luxe*, Consejería de las Artes de la Comunidad de Madrid, 2002.

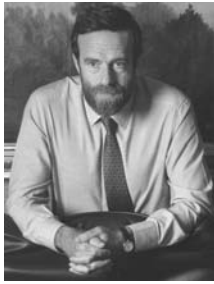
²² Darío Urzay, "This is not a provocation, but a rupture", *El País*, 13th September 2004.

²³ Glenn Collins, "Come and see art, but stay to dinner", *The New York Times* (*El País* selection), 11th November 2004.

II



New signs of cultural presence



AS WITH ALL MASS CONSUMPTION PRODUCT AND SERVICE COMPANIES, the brand of the company and of its various products and services is essential for its success and survival in a globalised and increasingly competitive market, all the more so when the competition model has gone from being mostly “perfect” to predominantly “imperfect”, or “monopolistic”.

With perfect competition, which occurs mainly in raw materials markets, such as oil, gas or minerals, iron and steel, or agricultural and other bulk products, four criteria are met. The first is that the products are identical, in other words, the buyer cannot distinguish one seller’s product from another’s, one producing country from another; all products are homogeneous and indistinguishable: a barrel of oil, a ton of iron or a bushel of maize. The second is that the supply is highly diffused, in other words, no seller is big enough in its respective market to determine the price. To put it another way, even though a seller reduces the quantity he supplies to the market, the price does not change (unless a “Cartel” of

certain sellers is formed, as in the unique situation of OPEC), as they are price-takers and cannot change the course of the market.

Naturally, every country has a competition protection or anti-monopoly service which guards against situations like OPEC occurring in other production sectors.

The third is that demand is also diffused, in other words, no buyer of these products has sufficient clout to change the market in his favour and reduce the price as he has no power

whatever over the market. Finally, the fourth criterion is that the information is immediate and total, in other words, all sellers and buyers, without exception, receive equally and at the same time all the information available on the market. The markets or exchanges of these products are concentrated in very few locations, Chicago, London, and very few others, and the specialist news agencies such as Reuters or Bloomberg give information on spot or futures prices.

Country brands and image, a question of synergy



The King and Queen of Spain alongside José Luis Ugarte and the crew of the Victoria before setting sail for Expo Aichi 2005 in Japan.



Naturally, every country has a competition protection or anti-monopoly service which guards against situations like OPEC occurring in other production sectors.

In this context, the brand has *no raison d'être* as all the products are identical and all the agents receive information at the same time. This is why it is called “perfect competition”, as all the forces of the agents involved in these markets are brought into play at the same intensity and the market will always be in equilibrium. This equilibrium is what the great Italian economist, Wilfredo Pareto, considered as the optimum: all the quantities produced are demanded, and therefore sold, and the exchange price, freely established between supply and demand, ensures an identical return to sellers and buyers in terms of their invested capitals.

On the other hand, with imperfect or monopolistic competition, which occurs basically with consumer goods, whether perishable or durable, these criteria are completely different. Firstly, not all products are the same; a distinction is made between them and they target the tastes or preferences of each consumer. The brand is what marks this difference. For example, Nestlé sells the best instant coffee on the market under the Nescafé brand. Nescafé's price depends on the market, but also on Nestlé's decision, and so Nestlé is a price-setter, in other words, it can influence the price, and not a price-taker, which is what its consumer is to a large extent. Secondly, the sellers can be told apart, thereby maintaining a certain independence in the global industrial market, and this enables regular and natural relationships to be established between certain sellers and buyers who prefer the taste or features of Nescafé over brands, and this in turn gives rise to a certain attraction or loyalty to the product on behalf of the consumer. Thirdly, the buyers of these products are, by definition, widely diffuse with regard to the seller or sellers, and are price-takers. Obviously, within this scheme of monopolistic competition, the competition authorities try to guard against the seller abus-

DISTINCTION

COMPANIES TAKE GREAT PAINS TO be distinct in order to be perceived as special in their customers' minds. Instead of this democratisation of technology generating more commodities (products that are only distinguished by their price), it has stimulated creativity and improved communication.

One example of this is the **Chupa Chups** group. When Enric Bernat had the idea of sticking a spherical sweet on a stick, he embarked on a business project that is already fifty years old, and is still going strong. Over 45,000 million units have been sold at 1 million points of sale in 150 countries, and they account for 35% of the world market. It is such a distinctive brand that in the major markets, 9 out of 10 children reply "Chupa-Chups" when they are asked to name a lollipop.

Something similar has happened with **Smint**, from the same group, which came onto the market with a brand and packaging that distinguished them from day one.

Another example is fresh, frozen and canned fish which was also a commodity. Today, thanks to **Pescanova** and brands such as **Calvo** or **Miau**, customers distinguish them and show their preferences because they have a brand to ask for.

The same has happened with bulk wine, fruit juices, milk and chicken. Brands such as **Don Simón**, **Zumosol**, **Pascual** or **Coren** have played key roles in this and are market leaders at home, with marked international presence.

All these are Spanish brands that are well known in a good many countries and which have transformed their generic products into products with a specific, highly-regarded name. ®

ing his dominant position in the market, to stop him acting as a monopoly if he is the only seller or to avoid a monopsony, if he is the only demander. Monopsony can also occur if there is only one purchaser, as is the case with the Spanish Public Health Department and pharmaceutical products, which are not sold retail, but to hospitals, who are the most important, or when there is a certain oligopoly of large-scale purchasers of consumer goods who come to an agreement over purchase prices, as might occur with certain large-scale distributors. Finally, within these regular, natural relationships, information is exchanged between certain buyers and sellers, large-scale producers and distributors, and this information is not disseminated equally or equivalently in the rest of the commercial distribution channels.

Only imperfect or monopolistic competition, much more developed today than perfect competition, allows for the existence of brands. The brand marks the difference between the sellers and transmits information about

the nature of these differences. At the same time, the brand is a necessary piece of concentrated information, because the purchaser cannot hope to integrate all the information about all the attributes of every single product. Imperfect competition adapts the market analysis model to include consumer behaviour, preferences and tastes, innovation and technology to create new products to adapt to them, and brands so that they can be clearly distinguished, thus increasing industrial and market efficiency. Thus, Nestlé can choose a price for Nescafé that will repay its investment, innovation and technology in this product yet not be high enough to dissuade the purchaser and cause him to divert his demand to another product, branded or not, of similar characteristics and cheaper. If the consumer is prepared to pay this price, it is because he considers that it provides him with sufficient usefulness. Therefore, through the brand, the company sells a product that is distinct, can choose a reasonable price without losing sales and receive from the sale a supplementary return known, in the monopolistic competition model, as monopolistic benefits.

Thus, the brand, with its symbol that distinguishes the product, is what produces the greatest benefit for the company that has created it, as opposed to companies that produce only generic or indistinguishable products. Obviously, companies that manage to place their branded, distinct products on the market have larger innovation, marketing, advertising and consumer relationship costs than others who limit themselves to imitating them and sell them under





Having high levels of brands awareness and recognition is not enough. Mapfre has a high level of recognition and, in general, great prestige.

little-known or “white” brands, brands imposed by their distributors which have a cheaper price, but also cheaper costs. In other words, brand products take more risk, invest more and naturally reap higher profits.

Furthermore, with the growing competition from companies in developing countries who can manufacture a good many consumer products at a lower price, the brand has become a basic tool of competition, which is why it is important and necessary to protect intellectual property, both brands and patents, and for developing countries to cooperate, through multilateral negotiations under the auspices of the WTO and through international intellectual property protection agreements. The International Chamber of Commerce, based in Paris, has a service which gives information and combats brand falsification, appropriation and piracy. Its reports show that these falsified products account for almost 5% of world trade at a cost of over 300 billion dollars per year.

In short, the brand has a growing value for a company, for consumers to distinguish and choose its products, and to compete with other lower-cost producers who may copy them without any sanction; if this happens, the company that has made a heavy investment in, and developed, the brand loses the only competitive advantage it has left over these lower-cost competitors who falsify the brand. The brand has a whole wealth of technology, innovation, investment, design, quality control and marketing behind it which are fundamental elements for competing with lower-cost countries, as the consumer

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for the company
that has created it

who knows the brand and appreciates it will keep consuming it, even if all or some of it did not originate in the country that developed it, as the company that created it might have transferred part of the production to other countries if non-skilled intensive labour is involved. The only way to avoid direct competition from low-cost countries who falsify a brand and to persuade companies in those countries to develop their own brands in competition with existing ones, is for the intellectual property of the brand to be respected.

The image of Spain and her “Made in Spain” brand

The image a country projects in the rest of the world has become a political priority for all governments who, because of globalisation, have become increasingly aware of the importance of their distinct image and reputation abroad, in other words, their “brand”, which has become an indispensable asset for defending their political and economic interests in an ever more competitive situation. The better a country’s “brand”, the easier it is for it to be accepted by the rest of the world. Consumers all over the world buy foreign products that come from countries they have never been to, but they do have remote or not-so-remote references, through stories, stereotypes or images, which is why the image these consumers have of a country is so important in their decision to buy more, or fewer, of its products and services; and why the perception of usefulness, suitability, reliability and taste that these products or services may generate in these consumers is so important for the image of the country that sells them. In other words, the success of a country’s products and services hinges, in part, on the prior image the rest of the world’s consumers have of the country, and then, the success of the country’s image depends on the success of its products and services. A country’s brand image depends on the brands of its goods and services, as well as on its cultural, social and political leaders, and their image also depends on the country’s image. As the two are closely interrelated, they must be promoted simultaneously, since the better a country’s brand, the better the sales therein, and the better the brands of the goods and services of that country, the better that country’s brand, perception and reputation abroad.



The image a country projects in the rest of the world has become a political priority for all governments.


To examine the image of a country (for example Spain) abroad (for example the United States), several different strategies can be used. One option is to limit the study to its cultural elite in order to observe the impact that the literature, cinema, art and culture of that country has had on the elite, and its perception of them. But then one would only consider how the image was produced, not its consumption. This is an exclusively “iconic” approach, since the US cultural elite may have had contacts with its Spanish counterpart, but if Spanish works do not have sufficient diffusion in the United States, any icons they might generate will not go beyond their exclusive, limited circles. For example, we know that Almodóvar and Amenábar are two film directors who have enjoyed great success in America, but they have not yet reached the mass consumer market, only certain small elites, because of the great disparity in educational levels there. The same can be said about successful works in the United States by Spanish artists such as Tàpies, Barceló and Manuel Valdés, or great Spanish opera singers such as Plácido Domingo, José Carreras and Montserrat Caballé, who are highly thought of in America, but opera is a musical activity that is very expensive and limited to a very small proportion of the population, or finally, current Spanish writers who are better known in France, Germany and other European countries than in the USA.

THE COUNTRY BRAND, AN AFFAIR OF STATE

THE SPAIN BRAND PROJECT WAS an initiative of the Asociación de Directivos de Comunicación (Association of Communication Managers - Dircom), the Instituto de Comercio Exterior (Spanish Institute for Foreign Trade - ICEX), the Leading Brands of Spain Forum (FMRE) and the Real Instituto Elcano de Estudios Internacionales y Estratégicos (Royal Elcano Institute of International and Strategic Studies), with the participation of the Ministry for Foreign Affairs, with the aim of working together to project Spain's achievements abroad, as it was often thought that her image did not do justice to reality, and even distorted it. The *Spain Brand Project Report*, published in 2003, includes specific proposals for strategies to discover and manage Spain's perception and image abroad.

The first recommendation in this report highlighted the fact

that Spain's external image is obviously a matter of State, beyond party or ideological differences as it affects all Spaniards and their interests, in the broadest sense of the term. For this reason, it is vital that the management of the image be neutral and non-political, so that both the public and the highest State authorities feel part of the project.

The report emphasised that the Spanish administration needs an institution with sufficient authority to design and coordinate these image promotion tasks. It was considered vital to set up a suitable State body to manage the project in the short, medium and long term, and this would give it the necessary stimulus and make for better coordination of the numerous public and private entities that are currently carrying out actions that affect Spain's image abroad. 



Another option is to study Spain's image on television, radio and the press. In this case, a distinction would have to be made between the tabloids and the quality press. The former only concentrate on the most negative stereotypes or scandals and also tend to feed the historic prejudices of the public. The latter have a smaller circulation than the former and are read mostly by the better-informed people of the country in question. For this reason, it is not easy to obtain a first-hand perception of the public as a whole. A third option is to concentrate on the opinions that the political and social leaders of the country have of Spain, since they are the ones that have great influence on public opinion. However, this type of study is useful when one wants to analyse Spain's political, military and foreign policy image in America, but with the risk that it may be manipulated by the political parties, trade unions or employers for political, protectionist or for any other type of reason.

For all these reasons, although Spain's image with the cultural elite, media and opinion leaders should still be studied, an attempt should also be made to take a more direct, reliable approach, of a sociological nature, by asking a highly representative sample of citizens about their own stereotypes and images of Spain, her history, language, culture, geography, customs, way of life, products and services, and observe how important each of these categories is in their overall perceptions of Spain.

Spain has a high expressive dimension, a low instrumental dimension and a medium-high trust and quality dimension. Keraben products stand out for their innovative nature, their exclusivity and their elegance.



Various studies have been conducted on Spain's image in the world. Some of them ask the interviewees to assess different attributes of different countries, and factor analyses are carried out. Countries' images are structured in three dimensions. The first factor is its "expressive" dimension, in other words, whether it is a good country for leisure, living, taste and climate, which will induce people to visit it often or even retire there. Then there is the economic factor, which is its "instrumental" dimension, associated with its efficiency, productivity, scrupulousness and resolve, which will induce people to work there and buy its goods and services, as they provide a guarantee, security, trust and reliability. The third factor is a mixture of the two previous ones, the "quality" dimension, in which the life quality, environment, security and trust are positively assessed. The results show that the first group is made up of countries in the south of Europe, particularly Italy, Spain and Greece, and to a lesser extent, France. In the second group are the United States, Japan and Germany, but also France and in the third group, the Scandinavian countries, but also Switzerland, Austria and France. This means that France emerges as the country that has the most balanced mixture of attributes as it is included in all three dimensions. However, Italy and, to a lesser extent, Spain are also considered to be developed countries in the south of Europe and therefore have some of the instrumental attributes of quality and trust. Spain has a high expressive dimension, a low instrumental dimension and a medium-high trust and quality dimension.



Myrurgia, a Spanish market leader, is to be found in over seventy countries.

Other studies concentrate on the stereotypes that interviewees from different countries or regions have with regard to Spain's image and "brand". Key elements analysed are its distinction, relevance, esteem and familiarity. In other words, their strength and vitality, dimension and stature, and quality. The general perception of the quality of the Spain brand is quite low. In Latin America, the Spain brand is popular and well-known, but with little distinction and average esteem. In the United States, it has a strong distinction, but little relevance and a low level of recognition, except among Hispanics. In Europe, it has a more favourable perception, in terms of distinction as well as recognition, relevance and even esteem. In Europe, Spain is thought of as being an

COUNTRY BRANDS AND IMAGE, a QUESTION OF SYNERGY

enjoyable and authentic country, innovative and original with a certain prestige, but also very traditional, of low quality and a certain lack of style. The worst attributes come from interviewees in Latin America where Spain is assessed as being very close culturally, but distant, arrogant, not very helpful, somewhat unfriendly and even hostile. In the United States, Spain is perceived as being unique and different, with a certain style and prestige, but traditional and not very innovative or trustworthy. The archetype of Spain in Europe is that of “bewitching”, in other words, fun, enchanting and sensual. In Latin America it is “warlike”, in other words, prestigious and intelligent, but aggressive and harsh. In the United States it is “playful”, fun and original.

Still further analyses focus on Spain’s image in the United States and Europe only. The overall assessment is slightly higher in Europe than in America: subtracting the bad or very bad opinions from the good or very good, Europe gives 79% and the United States 68%. Britain’s assessment is closer to America’s and within America, a higher assessment is given by Hispanics. There have also been studies to compare the image that the Spanish have of Spain (auto-image) as against the image held by the rest of Europe (hetero-image). For Europeans and Spanish alike, Spain is more fun than boring, more natural than artificial, more strong than weak, more compassionate than selfish and more democratic than authoritarian.

However, with other attributes there are differences. For Europeans, the Spanish are more courteous and western than for the Spanish themselves. For Europeans, Spanish scenery is the sea while for the Spanish, it is the countryside. However, Europeans see the Spanish as being more traditional and more religious than the Spanish do. The Spanish think they are ruder than the Europeans do. The Spanish see themselves as adventurers and explorers, an auto-perception of independence and risk-taking that is lower for the Europeans. With tourism, there are also marked differences. The Spanish assess favourably climate as the top attribute (70%), followed by prices (30%), beaches (19%), the Spanish character (15%), gastronomy (13.6%) and fiestas (13%). Perceived attributes in order of ranking for the Europeans are climate (29%), scenery (26%) and the Spanish character (25%) and only then come the beaches, fiestas, fun, the atmosphere and, finally, culture.


The Spanish are more unsure of their exterior image than other nationalities. For example, 15.6% of Spanish people consider that Europe thinks badly of them, as against only 6% of Europeans who actually do so. They have less trust in Europeans than the Europeans in the Spanish, and greater trust in

THE DRIVING FORCES OF SPANISH INTERNATIONALISATION

CONVINCED THAT “GOOD WINE NEEDS NO BUSH”, THE Spanish have not been concerned about building brands and images. Now that they have seen how important it is, it is not so easy. This is a world that is saturated with too many options and already structured minds.

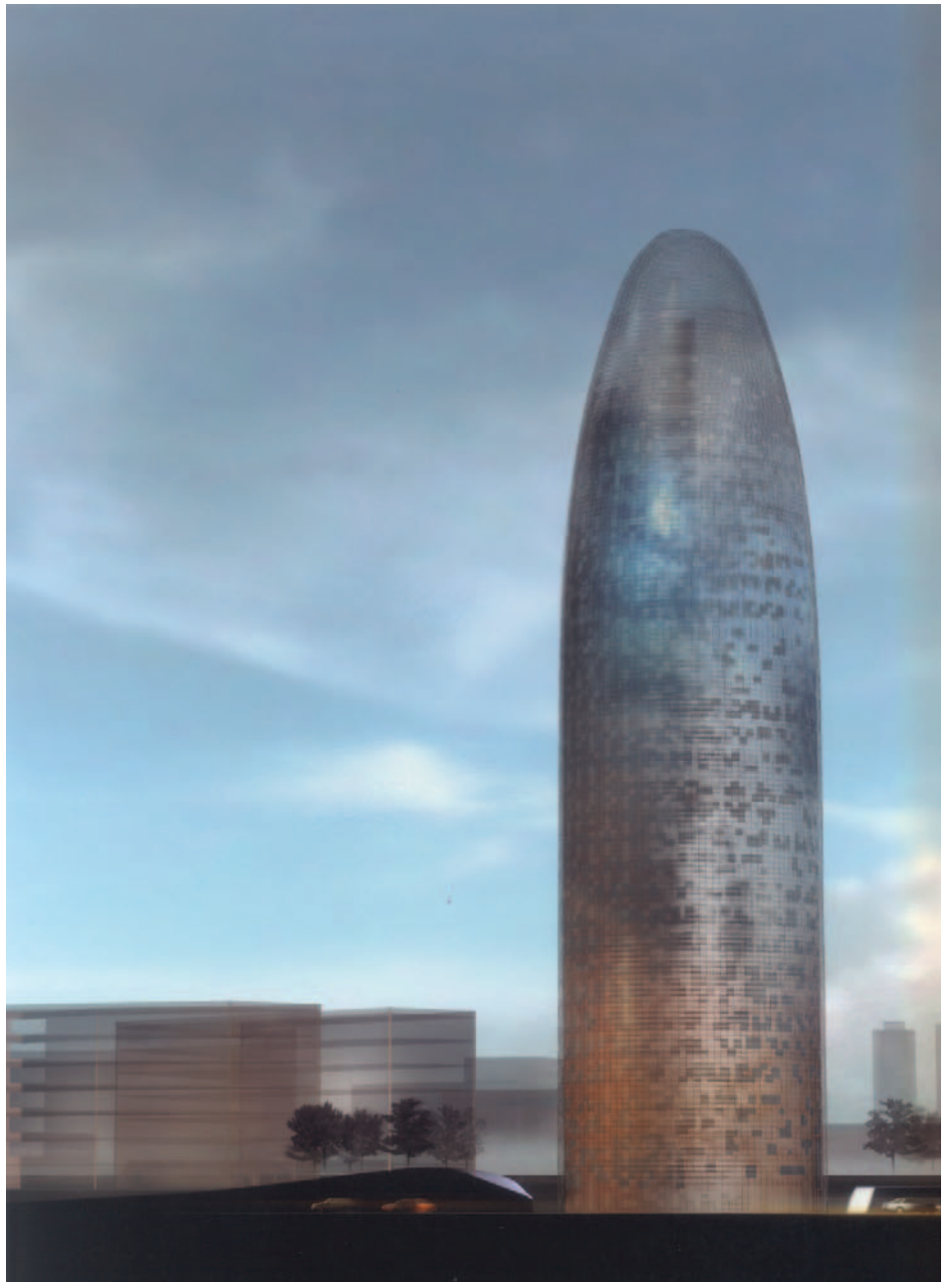
There are 68 companies in the ASTB who, after becoming successful, have realised the importance of their role as “driving forces” for the consolidation of Spain’s external image.

They are brand-owners who are to be found in many countries, and in Spain they employ over 750,000 people and generate over 27% of her GDP. Their performance should motivate many other Spanish companies with great potential. More top brands are needed to give credibility to Spain’s business image.

The first thing would be for the Spanish themselves to acknowledge that they exist and what their achievements have been. 

Large doses of service quality, innovation, technology, communication and corporate responsibility.

The Agbar building in Barcelona.



>the spanish are
more unsure of
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nationalities

themselves than the others. Usually this is a negative factor, as the European countries that are most trusted by other European countries are themselves those that most trust the others, and vice versa, but Spain is an exception to the rule, which is something positive. The reason for this is almost certainly the long-lasting international isolation undergone by Spain, which has led to distortions in her self-image. However, Spain's rapid and successful transformation in her 25 years of democracy has managed to increase her self-esteem and self-image.

Finally, there are analyses that focus exclusively on Spain's economic and commercial image, particularly her goods and services. In the European Union, the percentage of Spanish product recognition is 82%, but only 4% are considered to be good quality and 45% bad. In Eastern Europe, recognition is 59%, with 17% being considered good quality and 6% bad. In the United States and Canada, recognition is at 60%, with only 4% being recognised

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as good quality and 31% bad. In Latin America, the percentages are 70%, 12% and 20% respectively. In Asia, the percentages are 52%, 10% and 23%, and in Japan, 88%, 6% and 54% respectively.

Within each region, it has also been possible to identify market niches. In the European Union, the image of Spanish goods and services is higher than average in Germany, and lower than the average in the United Kingdom. In Latin America, it is higher in Uruguay and Argentina and lower in Mexico and Peru. In the Eastern European countries it is higher in Poland than the rest. In the United States it is higher among Hispanics in some cases, and lower among no Hispanics in others. There are also differences between the Spaniards' perception of their products and that held by other nationalities. Obviously, auto-assessment will always be higher than hetero-assessment. Spain and Mexico are the countries in which the gap between the two assessments is widest. The percentage of Spaniards who consider their goods to be excellent or very good is 3.5 times higher than other countries'. China is at the opposite end of the spectrum here, in that its consumers give a lower assessment to its products than to foreign goods.

To sum up, Spain is perceived as being a good place to live, for her sociability, altruism, human warmth and climate, but not to work in, for her lower efficiency, seriousness and reliability, although she is perceived to have better attributes than other Latin countries such as Italy or Greece, something which is relatively positive.

Unfortunately, Spanish culture, one of her greatest international assets, is little known in the world, except in Latin America, part of the United States and Europe, in spite of the force and spread of her language, unlike the culture of other countries such as France and Italy, better known and appreciated even though their respective languages are not so widespread. Naturally, these two countries' efforts over the decades, France with her Lycées Français and Alliances Françaises, and Italy with her Licei Italiani and Italian Culture Institutes, have helped to spread their cultures and languages. At last, Spain's Instituto Cervantes is emulating this necessary and highly profitable spreading of her vast culture to the rest of the world, and it could be a major boost for her image over the long term. However, Spain does enjoy a favourable perception in the rest of the world as a democratic country with very little corruption, and her foreign policy is well regarded as a bridge between Europe and Latin America, and as growing force in international relations.

The perception of Spain as an economic power and efficient country is improving, although slowly as it is being held back by the stereotype of a fun and sociable "Latin country", but lacking seriousness. Her investment in Latin America is looked on favourably by the rest of the world except in parts of that region, where the stereotype of "Reconquest" is perceived. This is because her investment in the region has been very rapid, centred on public and private services that affect a huge section of the population and has been carried out through privatisations, which in some cases have not been conducted the way they should, or else the money from the sales has not been well invested. In fact, Spanish companies have bid much higher in these privatisations or auctions than they needed to, which shows that they were not looking to make a killing, but to establish themselves in these countries permanently.

The general assessment of Spanish goods and services, the "Made in Spain" brand, is not very high, as they are still perceived as products that are not very



The archetype of Spain in Europe is that of "bewitching", in other words, fun, enchanting and sensual.

distinctive, with medium or low quality and technology, and cheap. Her products are even less valued than those of other Latin countries such as Italy, and particularly France. Finally, the attraction of tourism, which is vital for a better understanding of the realities of the country, is strong in general and there is a growing percentage of Europeans who take up retirement in Spain,

>the image of spain really
needs to improve,
as it does not mirror reality

albeit centred on sun and sand, and her culture and gastronomy is still not valued as much as they deserve; this is slowly improving however.

This image of Spain really needs to improve, as it does not mirror reality. However, Spain's stereotyped image is not conducive to the purchasing of

Spanish products, particularly with first-time buyers who, ignorant of her real attributes, rely on the stereotyped ideas they formed of the country to decide whether to buy these products or not. Other consumers, with greater spending power or better information, either because they have read or heard about these products, or because they have visited Spain, might often venture to try them to see whether they are worth buying, because their attributes are already appreciated. But at any event, the perception of the country of origin is decisive in both cases, which is why it is extremely important to promote and improve Spain's image and brand in the world.

Private brands and the country image

The brands of the companies of a particular country and of their products and services are essential for determining its reputation and its social, cultural and technological image in the rest of the world. In this respect, a country's brands should be understood in the broadest sense, since it might be individuals and institutions that carry more weight, not just companies with their products or services, even though they may be the ones that reach



The brands of the companies of a particular country and of its products and services are essential for determining its reputation and its social, cultural and technological image in the rest of the world. In this photo, the Madrid Stock Exchange.

TOW THE COUNTRY BRAND IS BUILT

MIGUEL OTERO, MANAGING DIRECTOR OF the Leading Brands of Spain Forum, has designed a chart to explain how the “Country Brand” is built.

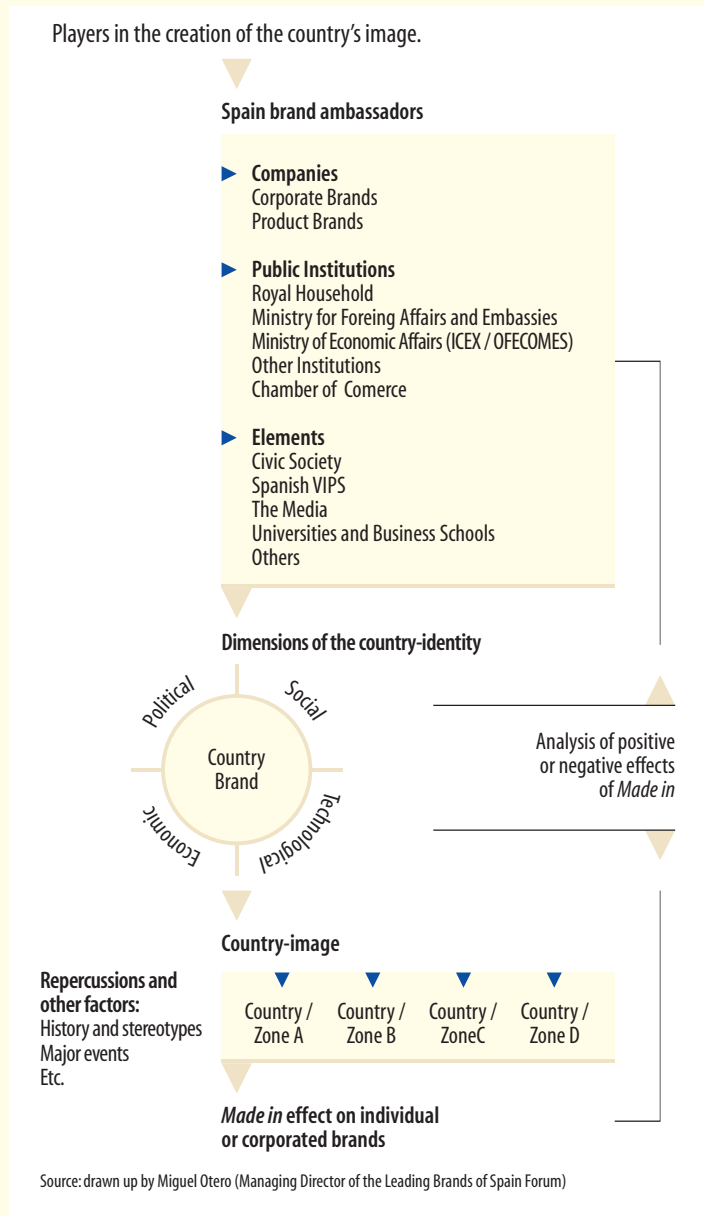
He says that there are three ambassadors that help to create it: public institutions, elements of civic society, and companies and top brands.

With the first two, there are no problems: Spain has a distinct advantage. The seamless transition to democracy has meant an exceptional global prestige for its public institutions, most particularly the Royal Household.

The prestige of famous Spaniards is also noteworthy. But it is not they who mark the difference with other European countries. It is the 40 million anonymous inhabitants who with their vitality, *joie de vivre* and friendly approach have helped to make the “Spain brand” a “very special people” brand.

This advantage might help to overcome the weakness of the third element. The weakness lies in the image of Spain’s companies. Although it is one of the world’s biggest economies, it is not perceived as such. Economically and industrially, Spain’s image is nowhere near reality. This is where the Leading Brands of Spain Association comes in.

The solution may be in this special distinction provided by the Spanish people. The best country to live and work in could be an effective positioning factor for the “Spain Brand”. ®



the most people. When analyses of a country’s image are conducted in the rest of the world, the image is usually based on historic stereotypes from the past, often negative, unless there are other signs or perceptions that are more up to date or more positive. These signs usually come from the reputation of the country created by the brands of its mass-consumer products and also by the knowledge of its culture through its writers, artists, musicians, filmmakers and sportsmen, as well as its way of life, its cooking, its folklore and its crafts.

When consumers in the United States or Japan see a “Made in France” label on a product, the first thing that comes to their minds is a general perception of “refinement”, “haute couture”, perfumes and fragrances, “gourmet”, “haute cuisine”, wines and champagne. If it is a “Made in Italy” label, there is a sensation of good taste, design, art and sophistication. With a product “Made in

Germany”, the first general sensation is reliability, security, faultlessness and precision, advanced engineering, quality and technical guarantees. All this has been achieved, to a large extent, thanks to their brands. In France’s case, it is mostly due to Chanel, Dior, Yves St Laurent, Hermés, Cartier, Louis Vuitton, Hennessy, Moët & Chandon, Danone and L’Oreal, but also to Citroën, Peugeot, Renault, Matra, Falcon and Michelin, among others. In Italy’s case, it is due to Ferrari, Alfa Romeo, Armani, Versace, Valentino, Benetton, Prada and Gucci, among others. In Germany’s case, it is due to Mercedes, Volkswagen, Audi, BMW, Porsche, Siemens, Leica or Nivea, and Bayer, among others.

The same thing occurs with the “Made in USA” label for consumers in the rest of world, which produces a sensation of innovation, research, cutting-edge technology and also the “American way of life”. This is to a large extent due to brands such as Microsoft, General Electric, IBM, Intel, Hewlett-Packard, Dell, Apple, Cisco, Yahoo, Google, Amazon, AOL, Motorola, General Motors, Ford, Boeing, Xerox, Kodak, Johnson & Johnson, Gillette, Colgate, but also Hollywood, Disney, CNN, Coca-Cola, Pepsi, McDonald’s, Levi’s, Polo, Tiffany, Avon and Estée Lauder, among others. Something similar occurs with the sensation given by Japanese products in terms of technology, design, guarantees and manufacturing quality, thanks to Sony, Panasonic, Toyota, Honda, Mitsubishi, Nissan, Fujitsu, Canon or Nintendo. In short, it is the best-known brands that, over time, mirror the international reputation of what a coun-



There is no Spanish brand in the top 100 global brands.

COUNTRY BRANDS AND IMAGE, a QUESTION OF SYNERGY

try is capable of producing and the acceptance of its products by all the consumers in the world, who receive a signal of a serious, reliable, secure and cultured country.

At the end of the day, brands are a symbol or signal of differentiation or distinction; indeed, in Spanish, a product is said to be “branded” to denote that it is of the highest quality or the best available. In the case of cars, for example, there was a time when the Spanish gave the biggest, best, most luxurious foreign cars the generic name *haigas*, and nobody knows the exact origin of this noun, although there is the pejorative myth about the poorly educated nouveau riche character who had probably got rich quick through black marketeering, who, on buying a car, would always ask for “*el mejor que haiga*” (the best there is). Today, of course, these cars have a brand that is recognised by all, such as Rolls Royce, Mercedes or Cadillac.

On the other hand, there are brands that come to “brand” a particular circumstance in a country and become a generic term or a new word. For example, Venezuelans often use the term “chévere”, which means fantastic, very good, the tops. Many of them have forgotten the etymology of the word, but its origin is very modern, as it is a corruption of “Chevrolet”, the American car which, when it first came to Venezuela, was the best that had ever been seen there. In Spain, most of the previous generation, and even some of this generation, call a refrigerator a “frigorifero”, which was one of the first brands of electric refrigerators to arrive there, after many years of ice-boxes, and for many years, the new-fangled safety razorblades, which removed the need for a daily visit to the barber, were known as “gillette”. The same goes for cellulose paper, known generically as “Cellophane”.



The United States is a single market in which companies have grown by covering the biggest market in the world.



Chupa Chups was a pioneer in the internationalisation of Spanish products.

Company brands and Spanish products and services brands

In the 2004 table of the top 100 most valuable global brands, drawn up annually by Business Week, with the cooperation of Interbrand, 58 were from the USA, including 16 in the top 25, 9 were from Germany, 9 from France, 6 from Japan, 4 from the United Kingdom, 4 from Switzerland, 3 from Italy, 3 from the Netherlands, and 1 from Finland, Sweden and Korea, as well as 1 Anglo-Dutch brand. There was no Spanish brand in the top 100.

However, if we compare them in terms of the relative weighting of their GDP in the world total at current market prices in dollars, the relative positioning of the brands of some European countries is higher than that of the United States. Switzerland is the country with the highest relative percentage, as its GDP accounts for 0.87% and it has 4% of the brands, Finland would be second, with 0.43%, and 1% of global brands, the Netherlands third, with 1.36% and 3.5% of brands, France would be fourth with 4.66% and 9% of global brands, the United States would be fifth with 34% of the GDP and 58% of global brands, Germany sixth with 6.45% and 9%, Sweden seventh with 0.78% and 1%, the United Kingdom eighth with 5.07% and 4.5%, Italy would be ninth with 3.85% of the GDP and 3% of the brands, Korea tenth with 1.77% and 1%, and Japan would be eleventh with 12.9% of the GDP and 6% of the brands. In other words, on average, there is a clear, relative dominance of certain European countries' brands over those of the United States and Japan, although in global terms the United States' position is overwhelming as it has more brands

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than the rest, with a GDP lower than that of the EU, Japan, Switzerland and Korea put together.

The same conclusion is reached when one analyses the relative weighting per country of the number of multinational companies in the 2004 Financial Times Top 500; although the United States dominates in absolute terms, this is not the case in relative terms. The European Union has only 153 of the top 500, with a GDP at 28% of the world GDP, while the United States has 246 with a GDP at 34% of the world total and Japan has 64 companies with 12.9% of the total GDP.

The reason for this is obvious; the United States is a single market in which companies have grown by covering the biggest market in the world, and by exploiting their huge internal market they have managed to expand all over the world. On the other hand, the EU only began to address the objective of a Single Market in 1992 and the Single Currency was only achieved in 2002. As of today, the Single Market has not achieved everything it set out to do, particularly in commercial, financial and public services, which are the sectors in which the biggest companies are to be found.

Thus, the first premise is that the development of multinational companies and global brands is closely correlated with the size of each country's internal market, except in the case of some small countries such as Switzerland, Sweden and Finland, or medium-sized countries such as the United Kingdom, France, the Netherlands and Korea. This exception to the rule is due to the fact that certain cases, such as the United Kingdom, not only was it a major trading and financial power in the 19th and part of the 20th century, but that it also managed to become the first, and later the second, stock market in the world, and this has caused a good many companies to locate there. Then there is the Netherlands, because it was previously a powerful colo-

>neither the **spain** brand,
nor its international image,
nor its companies' brands
mirror the economic reality
of the country.

SPAIN: WITHOUT SYNERGY, A POOR INTERNATIONAL IMAGE

SYNERGY IS THE ACTION OF TWO OR more causes whose effect is greater than the sum of the individual effects. Almost certainly, if everyone understood the advantages of synergy in international competition, things would vastly improve. In a globalised "high risk" world, a country's competitiveness is a strategic concept linked to the ability of that country's goods and services to penetrate other economies. This is why the first thing that the Spanish should understand about international competitiveness is that, although they are fierce com-

petitors at home, they need to look outwards.

Large Spanish companies should take their "driving force" role more seriously. This is not only a case of **Telefónica, Repsol-YPF, Agbar, BBVA, Grupo Santander** (in the photo) "obliging" their suppliers to go to Brazil, the big companies should give preference to national suppliers. In the case of Spanish hotel chains, now multinationals, are the architects and builders Spanish? Are their installations Spanish? Do they serve Spanish brands of food and drink? If they don't, they should. ☺





The number of large companies and their brands is clearly correlated with the capacity of each company and country for research, technological development and innovation.

nia and trading empire, even when it was invaded by the Spanish empire, and it has had a strong spirit of enterprise for many centuries. Finally, in the case of France and Korea, the reason lies in the fact that they have encouraged the development of large companies as the fundamental objective of their economic and industrial policies, and have managed to form large companies and conglomerates, first national and then international.

The second premise is that the number of large companies and their brands is clearly correlated with the capacity of each company and country for research, technological development and innovation. A comparison of the world's biggest investors in R&D&I reveals that at the top are the large motor manufacturing multinationals, IT and telecommunication companies, electronics and pharmaceuticals. This enables them to stay at the top of the world ranking and also means that an enormous amount of new companies can be included each year. For example, in 2004, 61 new companies entered the top 500 and 61 others were edged out, which means that over 12% of the total was renovated that year. Most of those who entered the ranking were companies with a heavy investment in R&D&I, or were the result of mergers or acquisitions, in other words, technology or size, through mergers, are the two factors that determined their greater value and entry into the list.

Although Spain has 8 companies in the top 500 and 3 in the top 100 (Telefónica, Grupo Santander and Grupo BBVA), they are mainly public, commercial and financial services companies. Only Inditex, a fashion production and distribution company, is to be found in the list, at nº 378. This means that Spain still has no brand in the top 100 in terms of value. Smaller countries than Spain,



The Spain Brand Project may enable Spanish companies and brands to position themselves better.

such as the Netherlands and Switzerland have 10 companies each, Sweden 6 and Korea 5 in the top 500, and as we have seen earlier, they also all have brands in the top 100.

Spanish businessmen fully appreciate the fact that neither the Spain Brand, nor its international image, nor its companies' brands mirror the economic reality of the country, although they believe that the situation is slowly improving. Although the perception of Spain has improved considerably as far as progress and the modernisation of companies and Spanish political and social institutions are concerned, there is still a negative perception of technical weakness, the levels of innovation and design, the lack of sufficient commercial capital, education and training levels, institutional support, specialisation in low-cost products, the lack of companies of sufficient size and renown to compete in globalised markets, and in general, the long-standing scant interest of the Administration and the public in foreign and international affairs.

This is why there is an urgent need for an outstanding additional effort to adapt perception to reality and ensure that there are increasing synergies between the brands of the companies and their products and those of Spain's brand and image which, as explained earlier, are the key element for the positioning and competitiveness of Spanish companies and of the country in the world. This effort calls for mutual support between the government, companies, political and social leaders and those with the greatest influence and Spanish relevance in the world, in other words, the Spain Brand Ambassadors.

The Spain Brand Project is undeniably a step in the right direction, since

it may enable Spanish companies and brands to position themselves better. The “Made in Spain” effect, by providing acceptance and competition, is good not only for traditional sectors such as foodstuffs, tourism and some services, but also all the other business activities carried out abroad, including banking, energy services, telecommunications, fashion and light industry.

The combination of the Spain Brand and the brand of each company, product and service increases Spanish presence abroad and improves the image of both simultaneously. In the same way that there is respect abroad for Spain’s efficiency, seriousness and economic and budgetary orthodoxy, there is a need to ensure that her national and business brands consolidate foreign perception of Spain as a country and of her companies as being serious and efficient, providing quality products and services that are reliable and distinctive,

with good service for consumers and users, and that they deserve to be sold at a higher price than they are now. There is a need to ensure that the perception of Spain’s “macro” is transferred to her “micro”, and this is where Spanish brands need to play a vital role.

What Italy has achieved with its light manufacturing through a vast improvement in its design, quality, innovation and taste, and therefore, price, in spite of being considered less reliable and serious as far as its macro-economic policy and its politics full stop are concerned, is a strategy that Spain could copy perfectly easily. Italy’s situation is completely the opposite to Spain’s; it has to ensure that its macro attains the same excellent image as its micro.

The Italians should copy Spain’s macro policy and politics full stop, and Spain should copy the success achieved by their business micro. To do so, Spanish companies need to devote more effort into improving training, use of technology, design and marketing systems in order to emulate her Italian competitors in the world. Italy has a good many years’ advantage over Spain. She exports 46% of her production as opposed to Spain’s 36%, and many of her companies are leaders in their sector, such as cars (Ferrari, Lamborghini, Alfa Romeo), motorcycles (Aprilia, Ducati, Laverda), home appliances (Merloni), fashion (Armani, Valentino, Versace, Max Mara, Prada, La Perla), luxury

IS THERE A “SPAIN BRAND”?

BRAND IS THE WORD WE USE to ask for a product or service. But do we ask for something by saying “Spain”, “Germany” or “Japan”? No, only in connection with tourism or investments. The names of countries do not work in the same way as those of products or companies. They are not used to ask for something specific. Although “Made in...” has an influence on internationalised brands, the perception generated in the mind of purchasers may be an added value or a millstone; but not a brand as such. For example, computers from the United States, cars from Germany or cameras from Japan may have more drawing power, but unless there is a specific name to ask for them by, a brand, they will not sell.

A “Made in...” with positive perceptions does have competitive advantages. And when a brand is in tune with the perceptions of its country of origin, it has much more potential to become an international brand.

Assimilating a country to a large company the “Made in...” might be said to be the corporate name that interests the distributors, and the brands and names of products and

companies are the references for the end-buyers. Clear examples are Procter&Gamble, Unilever and Johnson & Johnson. Their corporate names are important for the head buyers of large retail outlets, but for the end-purchaser the important thing is the specific brand, which he needs to use when asking for the product.

The importance of corporate names is a key competitive element—it “pushes” the product into the hands of the purchaser through the interest and support of the intermediary.

But the corporate name becomes famous if it is the owner of a lot of brands that the customers want to buy. The images of countries with the highest perception have been built on foundations formed by specific brands that have later needed a prestigious country to support them. Top brands and the prestige of the “Made in...” might be said to be like the wings and engines of a plane: to fly well, it needs both and they must function in a coordinated fashion.

Therefore, there is a need to construct top Spanish brands and to look for a strategy to improve the “Made in Spain” positioning. ©



Action should be taken to ensure that visitors have access to Spanish brands in Spain, including at airports, ports, stations and motorway services facilities.

items (Gucci, Bulgari), shoes and bags (Bottega Veneta, Ferragamo, Walter Steiger), whose quality and design enables them to demand high prices and a world acceptance that gives prestige to their “Made in Italy” label, ensuring that Italian articles are perceived as being highly rated in sophistication, taste, art and design, and therefore that the country’s image is also highly rated.

Spain has some very important brands which have positioned themselves favourably among the top brands in the world in smaller sectors. It is not so much a problem of the excellence of her brands as the size of the companies that produce and develop it. For example, Spain has one of the market lead-

ers in the porcelain sector, Lladró, to be found in every developed country, but it is already falsified in some Asian countries. Spain also has brands in the perfumes and scent sector which enjoy widespread recognition and acceptance, such as Paco Rabanne, Nina Ricci, Carolina Herrera and Puig, although not all of them have managed to become perceived as being Spanish by their consumers. She has major international brands in the fashion

sector, such as Zara and Mango, but of lower quality and cheaper than Italian brands, and even more so than French brands. Spain competes in the *cava* sector with Freixenet as the world leader, and also with Codornú, but they do not enjoy the same perception of quality and sophistication as Moet and other French champagnes.

The same goes for the Torres brand in wines, as although it is the most international of the Spanish brands, its size is still relatively small, when compared to the large French, Italian or even American and Australian brands. Chupa Chups is one of the 5 biggest confectionery brands in the world, but it cannot compete in size with Mars, Halls, or Herseys, who are highly diversified.

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HONORARY AMBASSADORS OF THE SPAIN BRAND

A STATE SENDS ITS AMBASSADORS AND DIPLOMATS abroad to safeguard the interests of the country they represent. Countries also have, perhaps unwittingly, other types of ambassador who, through their various professional activities, do a marvellous job of promoting their countries.

Culture, gastronomy, the arts, sport, the media, science and fashion are all areas that make up a country's image abroad. The Leading Brands of Spain Forum (FMRE) is aware of this and, in January 2005, decided to acknowledge the influence of various personalities and business that are themselves brands, and as such, help the Spain Brand to be recognised and assessed as it deserves to be. These honorary ambassadors are the golfer **Severiano Ballesteros**, the scientist **Valentín Fuster**, the chef **Ferran Adrià**, the ex-president of the International Olympic Committee **Juan Antonio Samaranch**, the tenor **José Carreras**, the **El País** newspaper and the businessman **Amancio Ortega**, the owner of Zara.

A universally-known sportsman; an international cardiologist; a highly thought-of and successful chef; the man behind what have been called the best Olympic Games ever; one of the three great contemporary tenors; a prestigious newspaper that witnessed Spain's transition to democracy; and the creator of a new business model in the fashion sector. They have helped, and are helping, to put an end to the distorted image of Spain, which many people still have. Spain still seems to be weighed down by her past and the hang-up of those who cannot believe the thorough economic transformation that has taken place in the country in such a short time.

With this new initiative, the Forum aims to encourage companies and continue narrowing the gap that separates Spanish brands from the world leaders. In the *Business Week* Top 100 Brands, there is no Spanish entry, in spite of the wide expansion of her Companies abroad. In addition, of the 68 member-

Borges and Carbonell are two leading brands in their respective fields, but they also need to be bigger to break into certain markets. Gallina Blanca and Cola Cao are very important in some European and emerging nations, but they have less impact in the rest of the developed world. Spain's branded hotel chains, such as Sol Meliá, Barceló, Riu and NH among others, are competing with major chains such as Sheraton, Hilton, Marriott, Intercontinental, Four Seasons or Accor, and successfully in a good many markets, but they, too, have a problem of size when trying to buy other chains. Finally, Real Madrid and Barcelona CF are two universal brands in sport, and they have contributed substantially to Spain's external image.



In the photo, the interior of a Mango store in Berlin.

COUNTRY BRANDS AND IMAGE, a QUESTION OF SYNERGY

brands of the FMRE, the average export turnover is around 35% of the total turnover, and in some cases, much more.

As a result, made in Spain brands are now beginning to be widely recognised in a good many countries. An FMRE survey carried out in 2004 reveals that some of the companies most identified with Spain by consumers are Telefónica, **El Corte Inglés**, **Adolfo Domínguez**, **Iberia**, **Torres**, **Tio Pepe** and **Zara**, which serve as examples of the knock-on effect that the Forum is trying to create; in other words, for the best-known companies to open the way for other national emblems.

A place among the leading global brands is increasingly possible. The Forum is the guarantee of that. ®



In addition, Spain has the same advantage as Italy does for fostering the recognition of her brands, the high traffic in tourists and visitors who go to these countries every year. This causes awareness of product brands and national companies during their stay in Spain, which means a considerable reduction in marketing costs, particularly in the European Union countries, from where most visitors come. In this respect, it might seem paradoxical that El Corte Inglés brand, for example, is widely recognised outside Spain, in spite of never having had any branches other than in Spain and Portugal, but it does show that it has made a strong impression on, and enjoys the esteem of, foreign visitors to Spain. Thus, action should be taken to ensure that visitors have access to Spanish brands in Spain, not only in the stores in the areas they visit or live in, but also in airports, ports, stations, and motorway services facilities.

Furthermore, it needs to be understood that a brand is not built by communication, but by permanently working on research, development and innovation. The top brands come from large industrial groups who devote vast amounts of money to being on the cutting edge of technology and manufacturing high quality, high demand and realistically-priced products. L'Oréal, Procter & Gamble and Unilever have managed to develop global brands because they devote over 5% of their turnover, and the work of thousands of people, to research and manufacturing technology. Once again, size is very important when it comes to global brands, since it allows for much larger sums to be invested and it is hard for smaller companies to compete with that.

Finally, a further exceptional special effort needs to be made to improve Spain's still poor image in certain Latin American countries, the part of the world in which Spanish companies are best positioned, as her image is still, unfortunately, far from the reality. As this region improves its political and economic position after the acute crises it has undergone in recent years, and



The only solution to start winning over the vast customer base in each of these countries with large helpings of service quality, innovation, technology, communication and corporate responsibility. In the picture, the Unión Fenosa building.

the situation is currently on the turn, the negative impression of Spain will improve, but this is not enough. Spain herself and her companies have to do something. In view of the strong Spanish presence in this region's public and private services, Spanish companies, who have done a tremendous amount, in general, to improve their coverage, efficiency, cost and service for their customers, need now to go one further and show their customers corporate responsibility and give them a quality service in order to enhance their image. They must make an effort to give back part of their profits, however small, to the community in which they are installed, in the form of educational, health and leisure services for those most in need, particularly children and the elderly. In addition, the Spanish administration must do more in the area of economic cooperation, aid, training, institutional improvements and fighting poverty in the whole of the Latin American continent.

Having a well-known, recognised brand is not enough. In Latin America, the Telefónica, Repsol and Endesa, Iberdrola, Unión Fenosa, Aguas de Barcelona, Gas Natural, as well as Santander, BBVA and Mapfre brands are widely recognised and, in general, have a good reputation, but sometimes this is not enough if local stereotyping of them is adverse. With this situation that still exists in some countries, the only solution is to start winning over the vast customer base in each of these countries with large helpings of service quality, innovation, technology, communication and corporate responsibility.

Finally, it is very important to act quickly, since the number of brands has grown ten-fold in recent years; today there are over 10,000 international brands in the markets of the developed countries, which makes it increasing-

COUNTRY BRANDS AND IMAGE, a QUESTION OF SYNERGY

ly difficult for the consumer not only to appreciate the distinctive features of each one, for their volume and number, but also to learn their names, when the average person uses no more than 300 words in his total daily vocabulary. So the name of the brand on its own is not going to be enough in the future. Thus, consumers will be opting for the brands that are constantly reinventing themselves to stay up to date and satisfy their customers' changing tastes. This means that brands will have to show continuously that they are the ones that best meet consumers' needs. In other words, innovation and creativity are set to play an increasingly important role with brands, and they are not going to be able to sit back: they must be prepared to change. Although brands must maintain a long term view of their product, they must constantly adapt and even break existing conventions with their consumers with new ideas and new products to draw their attention.

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Fernando R. Lafuente



AROUND 1915, THE GREAT MEXICAN WRITER, ALFONSO REYES, WROTE IN HIS *Visión de Anahuac* a friendly warning on the transformation of South America, the transformation of culture and the economy: “If the Hispanic sphere of both worlds does not manage to carry weight on the earth in proportion to the territorial dimensions it covers, if speaking the Spanish language never comes to be an advantage in literature as in trade, our example will be the most shameful example of incompetence that the human race is capable of.”

It was about this time that an embryonic cultural diplomacy was emerging as a new model for establishing, and consolidating, international relations. Culture was opening doors that neither politics nor trade relations were managing to cross any more. At that time, José Antonio de Sangroniz published one of the first essays on the matter, *La expansión cultural de España en el extranjero y principalmente en Hispanoamérica* (1926). It is strange, looking back with the benefit of hindsight, to see how culture, or what we are pleased to call culture, was then beginning a long journey whose final destination at the end of the 20th century was to be the

globalisation of its messages, the internationalisation of its activities, the cross-breeding of its contents, the diversity of its forms and the ubiquity of its centres. The Internet has added the finishing touches to all this. If anyone wants proof that Spain joined this party late, they only have to remember the accomplishment, as anomalous as it is frequent, and the date, likewise, of the setting up of the Cervantes Institute, 1991.

If we remember when similar institutes were set up, the delay becomes scandalous: Alliance Française (1889),

The British Institute (1934) or the Goethe Institut (1954), not to mention the Italian Dante Alighieri or the Portuguese Camoens institutes, also set up before their Spanish counterpart. Little notice was taken on either side of the Atlantic of Alfonso Reyes’ well-meaning warning. But history always prepares its vengeance, or rather, ignored reality prepares its vengeance. And the projection of Spanish culture, on both sides of the Atlantic, prepared its vengeance under the guise of situating the language of the expression of this culture in second place in terms of international usage and frequency, immediately behind English. What about the fact that this happened in the final quarter of the last century? All right. And that this expansion of Spanish has caught Governments and societies on the wrong foot? That too. When analysing and looking for plans of action, hasn’t greater sensitivity been shown by the private rather than by the public sectors? Undeniably. And isn’t the hardest bit to come, consolidating this projection? That is indeed the task, the formidable challenge that Spanish society as a whole has to face: “Life is lived looking forward” recommended Ortega at the start of the new, old century.

It might be a good idea to remember that this, let us say, civic sensitivity, is nothing new on the international scene, however much the merits of current Spanish action are acknowledged; for example, it led a group of businessmen to set up in the interwar years, in the year mentioned above, the British Institute. It was understood then, long before the Spanish became aware of this, that the language, and the cultural trappings that went with it, would be the prow of all the other political and economic activities abroad. It was to be cultural action, the new cultural

Culture and language as leading brands



"If speaking the Spanish language never comes to be an advantage in literature as in trade, our example will be the most shameful example of incompetence that the human race is capable of" (Alfonso Reyes)

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diplomacy which, through books, films and music, would open up the doors that had hitherto been closed, and give access to other products, establish other agreements and begin other types of relationship. Good for those British businessmen and good for their foresight! They knew what they were doing. They knew that as a result of the inroads made by the American giant and its pre-eminence after the First World War —let alone the Second— either the United Kingdom would have to react, or see not only its influence but also presence shrink considerably on the international scene.

The language acted as the stimulus, the vehicle for the new pattern of relations. Being where they had never been before, and in peace, at the same time as new markets opened up under the stamp of the teaching of the language. This would itself bring a group of industries that, logically, would extend to other areas and activities. While, for centuries, nations had imposed their presence in other countries through war, this time, unanimously after the Second World War, there was to be no conquest; instead, there was to be relationships and exchange, peaceful way of relating to, influencing and captivating each other.



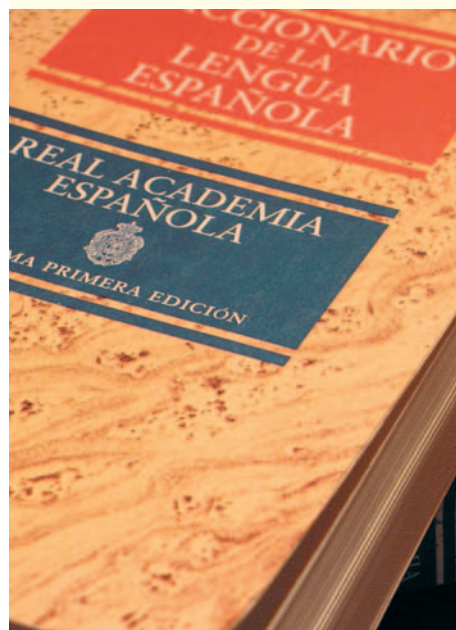
When analysing and looking for plans of action, greater sensitivity been shown by the private rather than by the public sectors. The Osborne bull and a poster by Óscar Mariné Brandí at the Pasión Diseño Español exhibition at the Berlin Academy of Arts.

It is no coincidence that defeated Germany, following the British model, was also to set up the Goethe Institut in the early 1950s. It was a question of cleaning up her international image and exporting the best of German culture and language. Culture, once again, was to serve as a passport to cross borders, change sensibilities and provide the image of a nation that matched the new period of reconstruction and development.

Although it is generally thought today that Spain's external image needs to be treated as a matter that calls for a judicious State policy, this policy needs to be extended with culture, beyond the necessary consensus between the two major Spanish political parties (PSOE and PP), to the rest of Spanish society, or, to use a common pleonasm, civic society as a whole. Again, it is worth reminding the public and private sectors of Spain that, once again, a number of countries have already started to deal with this matter with the required tact, attention, interest and resources. For example, the United Kingdom's Panel 2000 Rebranding Britain, set up by the Foreign and Commonwealth Office (FCO) in 1998, was a five-year plan aimed at "projecting Great Britain's image abroad"; then there was Germany's Concept 2000, whose objective was to improve her image abroad, an image of a new unified Germany, with the idea of showing "a creative and civilised country (...). By winning partners and friends for our country, our cultural relations policy directly serves national interests." Finally, following 9-11, the us government set up the Office of Global Communications whose purpose was to change "the perception of our country in the world, which at best is misunderstood, and in the worst of cases is inaccurate." Indeed, Spain has now managed to rise to the occasion and 2002 saw the setting up of the Spain Brand Project, which will need specific ideas, such as what place she occupies in the world, the most suitable ways of communicating a favourable image to enhance her international relations, be they cultural, commercial, political and so on, as well as how to transfer to broad sectors of cultural creation, with their corresponding industries (publishing, audiovisual and art), a commitment to effective and coordinated action. A start has to be made somewhere.

It is generally thought today that Spain's external image needs to be treated as a matter that calls for a judicious State policy.

Prince Felipe opening the Cervantes Institute in New York in October 2003.



LANGUAGE AS A VEHICLE OF COMMUNICATION

ALTHOUGH IN RECENT TIMES there has been a move to give precedence to the visual over the aural, the word is still a better vehicle for communication than the image. A great landscape can be described in detail with words, but it would be hard to tell a story in depth with just images.

But today, a language is a communication vehicle that goes far beyond the verbal and the literary. One only has to think of the search engine, Google, which reviews 8,400,000,000

CULTURE AND LANGUAGE AS LEADING BRANDS

Spain is part of a privileged group of nations that have generated a strong, clear image throughout their history. The issue to be debated over the next few years is which of all these images is perceived abroad today and, what is more complicated, which one matches the dynamic reality that is shown daily in Spain and how it should be worked on to be projected internationally. The two do not always coincide. Much has been written about this in recent years (José Varela Ortega, Manuel Lucena Giraldo, Rafael Núñez Florencio, from the History viewpoint; Román Gubern, from the cinema viewpoint; Emilio Lamo de Espinosa and Javier Noya, from the viewpoint of Sociology and Strategic Studies, and Eduardo Bautista, from the increasingly influential musical perspective, are just some examples of many referring to cultural aspects) and therefore they do not need to be repeated here. However, it is worth repeating the idea that the typically Spanish has occupied a preferential spot in Western imagery. George Steiner said that stereotypes were weary truths. What is true is that an image, and its stereotype, is a reality in itself while it is accepted by a considerable number of influential people. For example, a great deal of complex effort would need to be put into understanding Romantic culture without the Spanish element. The Romantics took Spain as an example in the same way as the Renaissance artists did with Italy, and this undeniably has its merits. Let us leave for some other occasion this fantastic historical journey that takes in the clichéd Spanish image and takes us through to the last third of the 20th century: exoticism, primitivism, atavism, barbarity, fascination, violence, passion, blood, religion and distinctiveness would be just some of the headings for this account.

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II

THINGS CHANGE. TIME MARKS DISTANCES. NEW SCENARIOS ARE CREATED and new characters appear on the grand stage of international relations. Ten years ago, the then President of France, François Mitterrand, stated during his last address to the European Parliament in Strasbourg that “today, more or less,

pages every time it is asked for information. The Internet needs reference languages. While lack of vocabulary can be compensated by gestures in oral communication, the same cannot be said for written communication. Even less so if it is concise, the style used in the new media. In other words, language is not only a communication tool, it is a key tool for acquiring knowledge rapidly and being informed.

Young Norwegians use the Spanish words “hola”, “vale”, “nena” and one or two of the more common Spanish swearwords. In Silicon Valley, there is a rush to employ graduates who speak Spanish. In Brazil,

Spanish is a compulsory subject in secondary schools. Teachers of Spanish are in great demand everywhere.

This means that Spain has a great advantage in the western world as the owner of the second language most used. It is estimated that by 2030, 7.5% of the world’s population will be able to communicate with each other in Spanish. If we compare that figure with the estimations for German (1.2%) or French (1.4%), it is easy to see the importance of the tremendous tool the Spanish possess for work and communication, and the competitive advantage this means for companies.

It is a heritage they have and one which needs to be preserved. Spanish is a heritage shared by all Spaniards all over Spain and also by Spaniards who live in other parts of the world.

This accounts for the important role that should be assigned to the Cervantes Institute, a role which will be difficult to play well without resources. But it is a role that has an enormous potential effect on all aspects of human life. From a speculative viewpoint, it is a key factor in the business world of investment and trade, as well as from a contemplative viewpoint, in the case of art and literature. ®



Spain has, in the opening years of this century, found itself with a bonanza ready to be exploited: the Spanish language.

The Cervantes Institute in Berlin.

there is only the Anglo-American and Spanish language and culture left.” Perhaps this was a gloomy statement, but it was also the proof that things are seen more clearly when a certain perspective is adopted. Mitterrand’s words acknowledged not only a cultural legacy of international, not to mention historical, importance, but also its extraordinary present and future projection. English and Spanish are, as Mitterrand reminded us in the twilight of his intense political career, the two great linguistic domains, and therefore cultural domains in the western world. Mitterrand was not wrong; the fact is that English and Spanish are the two linguistic poles that bring together the biggest number of speakers and the greatest expectations for this century. Mitterrand’s statement was made ten years ago, but much more recently, the French essayist, Alain Minc, chairman of the board of *Le Monde*, said in an interview with the Portuguese newspaper, *Público*, “The Spanish know that, as well as their role in the European Union, they are the centre of a community of over 400 million people living in America who speak Spanish, including 50 million (sic) citizens of the United States. This is an opportunity, a responsibility and a horizon”. And he finished up by saying that, in the eyes of Europe, “Spain is now more important than Italy”.

The truth is that 98% of the world’s population can understand each other with 4% of existing languages, and 80%, the linguist Ramón Lodaes reminds us, of the earth’s surface can be covered with the help of six or seven languages. Today, a language is not just an instrument of communication, it is the greatest symbol of identity that a society, or set of societies, has at its disposal; it is a basic, yet at the same time, complex, vehicle of expression and knowledge; it is a peaceful artefact of cultural wealth and a tool of historical and cultural projection. Languages are breaking down frontiers today. But language is also a remarkable economic resource today,

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a key element of the new technologies, the technologies of the 21st century, and of the growing information and knowledge society. And Spain and the Spanish-speaking community have, in the opening years of this century, found themselves with a bonanza ready to be exploited: the Spanish language.

A hundred years ago, back in the year 1905, the number of Spanish-speakers in the world barely amounted to 60 million. A century later, it is more than 400 million, the second international language, the official language in some twenty nations, one of the three that are usually considered official working languages in various international bodies; a language of cultural prestige and the most homogeneous within its highly fertile diversity among all the great international languages; in other words, it is a language that is expanding all over the planet, a language that has not yet reached its limit and is unlikely to do so in the next few decades. The outlook presented today offers an opportunity that will rarely be repeated. The clear decline of French, the remoteness of Chinese, the introspection of Arabic and the fact that German is limited to Central Europe, all provide Spanish, and its Atlantic projection, after English, with a decisive moment. From the highly prestigious London School of Economics, Anthony Gooch acknowledged at the beginning of 2005 that “Spanish is the language that most influences English”, even though that influence had traditionally been French.

Thus, language is the principal asset of the community that expresses itself in Spanish. The previously-quoted Lodaes recalled that “in an article published in *Time Magazine* (in 2001), Ronald Buchanan said ‘Language is money’, although he was referring not to English, but to Spanish as a language that gave a competitive advantage with regard to trading prospects in Brazil and within the United States itself”. Thus the Spanish language represents considerable wealth, not only in cultural terms—let us not forget that it was the language in which the modern novel was born, and this is an appropriate year to remember that—but also in economic terms. In the United States alone, the internal market in Spanish is approaching a billion dollars a year, according to Julio Ortega: “Between 1991 and 2001, professionals of Hispanic origin have seen their income grow by 110 per cent, and they have breached the 100,000 dollars-per-year barrier”. Add to that what is already happening in Brazil and the growing interest in the European Union, the Maghreb countries and the Far East. Today, the Spanish language is synonymous with a growing, expanding market. And it is also synonymous, quantitatively and qualitatively, with the demand for a language that is spreading to the most diverse areas of daily life. Therefore, it is no longer a question of Hispanic romanticism or the exotic draw of an old nation steeped in history in the south of Europe. Now it is a question of a vast cultural and economic asset that in the first few decades of the 21st century needs to consolidate its position as the second international language. By 2030, according to the meticulously researched Britannica World Data Analyst, 7.5 per cent of the world’s population will be able to communicate with each other in Spanish, a percentage that surpasses French (1.4), Russian (2.2), Arabic (4.6), Japanese (1.4) and German (1.2). Only Chinese will be higher, but as a mother tongue, not as an international language.

Languages transcend frontiers. They make those who travel and know languages circumspect. And circumspection, in this day and age, is a good travelling companion. If we accept that the best cultural action that can be carried out in the first decades of this century is to add efforts, experiences resources and hope, not subtract them, then languages make up this inevitable journey to the awareness of diversity, fascination for plurality, the highest expression of solidarity. Languages unite and attract. Is there anyone idiotic enough to think that a language is a cause for bloodshed? Languages make it possible to expand



Today, the Spanish language is synonymous with a growing, expanding market.

the geography and define, at the same time, the internal topography of the eras and inhabitants, the aesthetic dimension—which will always be ethical—of those who speak, write and dream in them.

Without South America, Spain would not be occupying this privileged (although only provisional unless she does her homework) position. Her projection in South America is what gives her an integrating position, a horizontal inter-country integration, of a culture that speaks the same language. South America is, from the Spanish point of view, a particular cultural exception, without equal in the European Union except in the case of the United Kingdom. Today, nine out of ten Spanish-speakers are on the other side of the Atlantic; of the oft-cited four hundred million Spanish-speakers, barely five per cent speak with a mainland Spanish accent; the hereto equally oft-mentioned projection of culture in Spanish, and of the cultural industries in Spanish, owe their success to South America. All this demonstrates and advises that today this language of culture is an American language. For example, it is no coincidence that towards the end of 2000, the prestigious British magazine, *The Economist*, devoted one of its five editorials to the influence of Spanish-speaking countries and concluded: “It won’t be long before the world understands that globalisation is a Spanish word”. At the beginning of that same year, the Italian newspaper, *Il Corriere della Sera*, urged its readers to learn Spanish, because, it said, it was “very useful for finding a job in design, high technology, chemistry, banking, the real estate sector, tourism, catering, teaching and aeronautical engineering” (sic).

TELECOMMUNICATIONS IN SPANISH


SPAIN WAS NECESSARILY THE LINK between all countries that use Spanish as a language of contact. With her colonisation, she introduced her language to Latin America and now it is the inhabitants of these countries who are exporting and popularising it in the USA.

But what is needed is a technological vehicle to enable this need for exchange to be channelled. This is where **Telefónica** plays a vital role. It started out as a State monopoly and has shown itself to be capable of adapting to modern times. In just a few years, it has gone from being Spain’s telephone company, with little recognition abroad, to become a leading player in the world of voice and data telecommunications.

It interconnects over 100 million people in almost 50 countries.

It is a “multi-domestic” company because, although it is multinational, it adapts very well to the reality and singularities of every country it operates in, offering multi-services to businesses and private customers.

It has a good understanding of its role as a leader in Spanish and Portuguese on a globalisation stage where integration is important, and it is now fourth in the world ranking. Proximity, commitment and trust are its main qualities that reflect its character and vision, and they are also the eyes of its relationships with its various stakeholders—customers, shareholders, employees and society in general—to whom it devotes major resources and endeavour.

In short, Telefónica has helped to build a “Spain Brand” that is up to date and competitive. 

At about the same time, something similar was occurring in the neighbouring country, dear old France. On learning of the almost complete dominance of English and Spanish among languages taught in secondary schools, *Le Monde* decided to investigate the reason for the presence of Spanish, and the President of the Association of Living Languages in France replied: “The demand by families is increasingly tending towards safe strategies, symbolised by English and Spanish”. This key period at the beginning of the century as far as the internationalisation of Spanish was concerned was also the time when in Canada, according to Toronto’s *Globe Mail*, Spanish was by then the second language in four provinces, both anglophone and francophone, and it published these data under the headline: “If you want to be bilingual, learn Spanish”. Francophones study Spanish as a second language and anglophones... Spanish as a second language. Hence the headline.

Furthermore, the demand for learning Spanish in China has increased seventy-fold. Today, for every Chinese stu-



dent studying Spanish, there are sixty-nine who want to, but cannot. It is interesting to note that if the Chinese demand could be met, the number of students of Spanish in China would be similar to that of those learning it in Japan, and something similar is beginning to occur in South Korea. The recent translation of Don Quixote and the demand from Chinese publishers for the best of current Spanish literature confirm this new impulse. Now that the classics have been dealt with, they want to show the reality of Spanish culture in this vast country. Already, Spanish is being taught in over 30 Chinese universities. While the edition of the *Complete Works of Cervantes*, also published recently, takes up eight volumes —3,200 Chinese characters — at the same time publishers are in negotiations with the literary agent, Carmen Balcells, over the purchase of the rights to the complete works of the Columbian Nobel Prize-winner, Gabriel García Márquez, in view of the fact that *One Hundred Years of Solitude* is one of the novels —and censored, at that— that has had most influence on CHINESE WRITERS, according to 1999 survey carried out by the newspaper, Chinese Culture. The Spanish publishing industry has increased its presence in China, with the latest Beijing Book Fair being attended by some twenty publishers, at an event that brings together firms from over fifty countries.

The impulse of Spanish led the Chinese State Television to launch a channel in Spanish last October, with twelve hours of programmes a day which include news, Chinese lessons and demonstrations of its exquisite cuisine. The executive producer of the channel, Ye Lulu, said that the reason for choosing Spanish was that it was one of the most spoken languages in the world, alongside English and Chinese. A team of nearly 50 people work daily on what is now, in this vast oriental nation, the second foreign-language channel after the English one.

“If you want to be bilingual, learn Spanish” (*The Globe Mail*). Francophones study Spanish as a second language and Canadian anglophones Spanish as a second language.

In the picture, skyscrapers in Vancouver (Canada).

>it won't be long before the world understands that globalisation is a **s**panish word [**t**he **e**conomist]



The impulse of Spanish has led the Chinese State Television to launch a channel in Spanish. In the photo, the Oriental Pearl Tower, the highest television mast in China (Shanghai, 2002).

The channel is targeted firstly on Spain. It should be remembered that in June 2004, the Flamenco Club in Beijing became one of the focuses of attention of the cultural life of the capital. And on 23rd October 2004, Shanghai enthusiastically hosted, as part of the Amazing Spain Programme, the first bull-fight in China, in front of over 10,000 spectators. The SGAE (the Spanish copyright agency) plans to open a cinema in this populous modern city to show Spanish films, although, of course, while Spain has allocated 32,000 euros to cultural action in China, France has just devoted 32 million. But the channel is also targeted on South America, with whose countries China maintains close trading and cultural relationships, particularly with Mexico, Peru, Argentina and Cuba. In 1999 alone —the year that saw the start



of this expansion— trading had increased by over 60 per cent. The recent tour by the Chinese President, Hu Jintao, through Argentina, Brazil, Chile and Cuba has cleared the way for large prospective Chinese investment in these countries.

Finally, a comment about what has been happening recently in the United States. Remember that now, in 2005, there are more Spanish-speakers in North America than in Spain itself. But let us go back to the beginning of this phenomenon, the early days of the new century. Perhaps it can best be summed up by a front-page article under the headline, “To talk like a New Yorker, learn Spanish”, published by *The New York Times*; and *The Wall Street Journal* reported on how in a medium-sized city, Milwaukee, with just over 600,000 inhabitants, the

There are more Spanish-speakers in North America than in Spain itself.



Students of Berkeley University who speak English and Spanish receive an average of 12 job offers a day from companies installed in Silicon Valley. Technology Center Bay Area, San José (California).

supermarkets sell three Spanish-language newspapers and the Yellow Pages in Spanish has over 300 pages.

Humberto López Morales, the secretary-general of the Association of Spanish Language Academies, who understands the North American phenomenon inside-out, also wrote at the time: “Spanish is useful for quite a lot more than talking to family and friends around you. Knowing Spanish is, among other things, a business and a source of employment”. It was also at that time that it emerged that learning Spanish as a second language was all the rage in the top East Coast universities. *The New York Times* carried out a survey to find out why “their w.a.s.p kids” had moved over to Spanish, neglecting French, avoiding German, distancing themselves from Italian, distrusting Arabic and ignoring Chinese. And the students of the most distinguished of American universities were quite clear about it. They were studying Spanish “because it is a practical language”. A practical language for business, for finding a job and for getting promotion in that job. They knew, because they read about it then, that the students of Berkeley University (on the West Coast) who had recently graduated and who spoke English and Spanish received an average of 12 job offers each from the companies installed in Silicon Valley. In short, as the then Director of Education in the Spanish Embassy in Washington, Gonzalo Gómez Dacal, was to write: “The language that Cervantes wrote in is not only, by far, the foreign language that is most spoken and studied, but also a training objective that is pursued with increasing enthusiasm by those who are today, and who will be in the future, leading lights in politics, science, business and culture in this unique nation, and therefore,

CULTURE AND LANGUAGE AS LEADING BRANDS

the world.” And Gómez Dacal’s prediction came true: in February 2005, during the debate on the nomination of the first Hispanic to occupy the position of Secretary of Justice in the United States, Alberto Gonzales, there occurred the first speech in a foreign language (i.e. not English) by a senator ever in the Upper Chamber, as was reported by *The New York Times* and commented on by the historian, Donald Ritchie.

Five years later, and with the benefit of hindsight, nobody will be surprised to hear or read that today Spanish is an emerging language with clear possibilities of establishing itself as the second international language. It is a formidable challenge, and the awareness of the magnitude of the issue is scant, both in Spain and in South America. But in December 1999, this was the stage for the setting up of a remarkable initiative for the international consolidation of the Spanish language and culture: the Government of Brazil introduced a bill to make the teaching of Spanish compulsory in secondary education. By the end of 2004, the proceedings had advanced considerably, and what was an initiative, subject to thorough and legitimate political and economic interests was turning into a tangible reality. Few people can be unaware that Brazil is all but a continent. A nation of 170 million inhabitants, of which 85 per cent are literate and with over 50 million young people under 15. Thus it is not only a young, but also urban population. If something similar were to occur with the dear old French with their language, they would decide to commemorate it with a week’s national holiday, or some such. When the then Brazilian Minister of Education, Paulo Renato de Souza, was asked about the reason for this initiative, he replied that the expansion of Spanish was “a natural trend.”

And the minister advised that, once the law was passed, they would need over 200,000 Spanish teachers. As we have noted in the case of the United States, Spanish in Brazil has managed to become a language valued for its potential for busi-

>learning **s**painish as a second language is all the rage in the choice universities on the **a**merican **e**ast **c**oast

SPANISH PUBLISHERS

SPAIN CAN BOAST OF BEING A country with a great literary background. Cervantes, Calderón de la Barca, Lope de Vega, Bécquer, Quevedo, Machado, Lorca and Cela were tireless creators. They were responsible for the development of a major publishing industry in Spain. An industry that was forced to become international with the colonisation of the American Continent.

It was Spanish publishers who launched authors such as García Márquez and Vargas Llosa, and who helped Latin American children acquire text books to learn and study from.

In the last 30 years, Spanish publishers such as Planeta and Santillana have launched newspapers and magazines all over the Spanish-speaking world. And here, mention should be made of the magazine *Hola*, a phenomenon that is easy to understand in a world where so much of the news is bad news.

The big name on the Internet is Terra. Today it is the biggest Spanish- and Portuguese-speaking community, with almost 40 million users and over 5 million hits a day.

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DIARIO INDEPENDIENTE DE LA MAÑANA

MADRID, MARTES 4 DE MAYO DE 1976

Documento oficial del Parlamento Europeo sobre España

El reconocimiento de los partidos políticos, condición esencial para la integración en Europa

RAMON VILARO, Bruselas
La Comisión Política del Parlamento Europeo expresó su deseo de que España pueda incorporarse a las Comunidades Europeas «al término de una evolución hacia un régimen auténticamente democrático», según dicen en un comunicado oficial.

Dicho comunicado insiste en el restablecimiento de las libertades individuales, políticas y sindicales y, en particular, en la legalización de todos los partidos políticos, la amnistía y el regreso de los exiliados. «Medidas que deberían contribuir

a dar sentido a las elecciones generales anunciadas para primavera de 1977».

Dentro del ámbito de los contactos España-CEE destaca la visita de información a las Comunidades Europeas iniciada ayer por un grupo de 25 miembros del equipo de los cinco Partidos Democráticos del Estado español.

Los 25 miembros de la delegación democristiana española han sido oficialmente invitados en Bélgica por los partidos social-cristianos belgas, con objeto de informarles sobre el funcionamiento parlamentario y la preparación de elecciones municipales y generales.

Por otra parte, los ministros de Asuntos Exteriores de la CEE se encuentran reunidos en esta capital para una sesión de dos jornadas, a lo largo de las cuales definirán la postura común de los «Nueve» ante la Conferencia de las Naciones Unidas para la Cooperación con los países en vías de desarrollo (UNTACD); varios temas de política interior (como la elección por sufragio universal directo del Parlamento Europeo y el informe Tindemans sobre la «Unión Europea») y una serie de problemas de relaciones exteriores centrados en la demanda de adhesión de Grecia a la CEE, y la ayuda financiera de los «Nueve» a Portugal y a los países de la zona mediterránea que tienen acuerdos comerciales con la CEE.

Sir Christopher Soames, vicepresidente de la Comisión Europea responsable de Relaciones Exteriores informará oralmente el martes al Consejo de la CEE de los últimos contactos entre españoles y comunitarios —celebrados en Bruselas el 28 de abril— con vistas a la adaptación técnica del acuerdo comercial de 1970.

En la página 3, amplío informe de nuestro corresponsal en Bruselas sobre las relaciones de España con la Comunidad Económica Europea.



José María de Areilza OPA

Areilza inicia mañana su visita a Marruecos

Mañana, miércoles, inicia su visita oficial a Marruecos el ministro de Asuntos Exteriores, José María de Areilza. La nueva correlación de fuerzas en el Magreb, tras la resolución del problema sahariano, y las «relaciones privilegiadas» que España y Marruecos mantienen desde el Tratado de Madrid, hace que el viaje del ministro español sea contemplado con interés y confianza.

Diversos problemas de envergadura serán abordados en el curso de esta visita: las expropiaciones de bienes españoles, el problema pesquero, las relaciones comerciales entre los dos países, la cuestión de los Gofatos de Bu-Craa y, probablemente, el contencioso territorial pendiente, es decir, Ceuta, Melilla y «los peñones».

El Sahara estará también presente en las conversaciones del señor Areilza con su colega marroquí.

Información en pag. 8

Guipúzcoa

Guardia civil muerto en un atentado

La población guipuzcoana de Leizor fue escenario ayer de un doble atentado. A las cinco de la madrugada un potente artefacto destruyó el coche del regente del bat del frontón municipal. Ya de mañana, y en un viaje para dar cuenta del suceso anterior, resultó muerto el cabo primero de la Guardia Civil Antonio de Furtos Sualdea, que se dirigía en un coche hacia el cuartel desde el embalse Patricio Echeburria donde se había colocado una dinamita —bandera nacionalista vasca— conectada a una carga explosiva. El vehículo quedó destruido, y el cuerpo del Guardia Civil totalmente desfigurado.

Información en pag. 13

Ante la "reforma"

Coincide la aparición primera de EL PAÍS con momentos singulares de la convivencia española. Desde la muerte del general Franco, y quizá antes, desde el asesinato del presidente Carrero, nuestro pueblo permanece en una constante y prolongada expectativa de cambio político que no acaba de producirse. Cuantos experimentos se han hecho desde el poder en los últimos años para tratar de asumir las profundas transformaciones operadas entre los españoles e integradas en el régimen vigente han fracasado.

La iniciativa reformista que el Rey asumiera en los tempranos días de su llegada al Trono parece condenada a similar destino, dada la actitud del gabinete ministerial. La pérdida de credibilidad de la política gubernamental es, nos tememos, definitiva. Y ni el reciente discurso del presidente Arias ni las promesas, siempre incumplidas, de democratización consiguen ya prender en la esperanza de los españoles.

No es cuestión de impaciencia. Este país lleva esperando cuarenta años —exactamente desde el comienzo de la guerra civil— la normalización de su convivencia política. Este país, cuyas tres cuartas partes de la población no participaron en aquella contienda fratricida, busca inútilmente, por lo mismo, desde hace casi medio siglo unas formas de vida civilizadas y modernas que le permitan encontrar en el concierto de las naciones el lugar que por historia y por derecho le pertenece. Ya la espera consistida del pasado, preñada de ilusiones cuando se pensaba en fechas como las que ahora vivimos, se ha visto repetidamente defraudada.

En este primer número de un periódico que nace al amparo de una convicción irrenunciablemente democrática, hay que decir que la reforma política anunciada ni satisface las exigencias mínimas que el respeto a los principios de la democracia y de la libertad exigen, ni puede lograr la adhesión de las nuevas generaciones de españoles.

El reformismo del poder ha naufragado porque no ha sido sincero. En una palabra: porque no ha sido verdadera y realmente reformista. Las esperanzas de un tránsito lineal entre la dictadura de antaño y un sistema democrático han sido siempre pocas; resultaban no obstante plausibles por el deseo de los españoles, repetidas veces demostrado, de encontrar soluciones a una situación sin salida como la provocada por el antiguo régimen. Pero para que la dialéctica de la reforma hubiera podido anular convicción a la dialéctica de la ruptura, tenía que haber comenzado por el reconocimiento de que las metas de una y otra tienen que ser en cualquier caso parejas: la instauración de una democracia real en nuestro suelo, con el reconocimiento de las libertades individuales y del derecho de los ciudadanos a elegir a sus gobernantes a través del sufragio universal. La reforma que el Go-

bierno quiere vender hoy a la opinión viene sólo a defender privilegios e intereses de grupo que no hablan de la continuidad de un pasado sin horizontes.

Quizá todavía sería hoy posible una estrategia de reforma, a condición de que fuera otro gobierno el que la emprendiera y tuviera credibilidad entre los ciudadanos. De otro modo, cuando el Presidente anuncie medidas y programas parecerá que establece un turno ordenado para cometer errores inútiles. No es un prejuicio esto que decimos. Las líneas conocidas de las leyes políticas enviadas a las Cortes hacen subsistir el antiguo aparato burocrático y político del Régimen y del Movimiento bajo la capa medrosa de un nombre venerable, el de Senado; solución esta que no soluciona nada y no satisface a nadie. La existencia de una Cámara Alta con facultades colegislativas de rango superiores a las de la Baja —elegida por sufragio universal— y con funciones similares al actual Consejo Nacional en lo que respecta a la salvaguarda de las Leyes fundamentales; la permanencia de los cuarenta consejeros de Ayte —designados por Franco— con carácter vitalicio; la de unos senadores elegidos por representación indirecta, con ambigüedad que supone el legislar tal cosa sin que se tenga noticia previa de como va a articularse la propia reforma de nuestros sindicatos; y la existencia final de un Comité de Vigilancia del Senado con notable presencia de senadores de designación franquista y con altas atribuciones sobre todo, el cuerpo legislativo, son ejemplos de que las «soluciones» del gobierno Arias están leídas de castaño y, por tanto, de inutilidad cara a un futuro no lejano. Si añadimos a ello que existe una propuesta para que los principios Fundamentales del Movimiento no sean reformables ni a través de Referéndum, que el antiguo Secretario General del Partido permanece en el gabinete bajo la denominación de Ministro Secretario General del Gobierno, y que finalmente este no es responsable para nada ante una Cámara Baja elegida por sufragio universal —que lógicamente es quien debe representar la voluntad de los ciudadanos— podrá entenderse hasta que punto la reforma está condenada al fracaso. Porque no ha consistido en una verdadera reforma. Pero amenaza además con arrastrar en su caída a toda otra posibilidad de reformismo auténtico que pudiera haber contado con un asentimiento genuino.

Y esto es cuanto que nos decir en nuestro primer día de existencia. Si como saludo resulta intemperante, aceptese al menos como inicial impresión de un diario recién nacido que, apenas abre los ojos y mira en torno suyo, no tiene otro remedio que pronunciar de nuevo las palabras de Ortega, tan entrañables para nosotros: Desde luego, señores: no es esto, no es esto.

Información sobre la reforma parlamentaria en pag. 11

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REFUGIO TENER
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The content, programme and service creation industry is the strategic springboard for the digital era and the information society.

Right, the first issue of the *El País* newspaper, Honorary Ambassador of the Spain Brand (EHME) for its work in the dissemination of Spanish culture and language abroad.

ness and culture, and a language whose culture is taking root in the history and present reality of this great country, surrounded by Spanish-speaking countries. While the Spanish boom in the United States is due as much to the increase in the number of Hispanic immigrants as to the high birth rate of this community, and to the undeniable stimulus given to the study of the language in schools and universities, by English-speaking students from widely diverse economic and social backgrounds, many Brazilians are aware of the fact that speaking Spanish is a very useful tool in their professional careers, and at the same time, an ideal resource for getting to know more about a culture that is close to home. Once again, as was the case further north at the beginning of the 1990s, recognition of Spanish in Brazil was due, to a large extent, to economic and busi-

CULTURE AND LANGUAGE AS LEADING BRANDS



Spain has internationalised her economy, and now it is time to internationalise her culture. A student minstrel group outside the Spanish pavilion at Expo 2005, Aichi (Japan).

ness factors, in which the arrival of Spanish cultural industries —books, cinema and music— will play a decisive role if this presence is also coordinated among the Spanish-speaking nations as a whole.

III

SPANISH INVESTMENT ABROAD IN RECENT YEARS HAS INCREASED TWENTY-FIVE-FOLD. Spain has gone from being a nation that used to go outside its borders to seek investors to install themselves there, to being a nation that goes beyond its frontiers to place its investments, sell its products and consolidate its favourable position in international markets. But in this remarkable endeavour of internationalisation, culture has been missing. The most pressing task is to internationalise her cultural industries. Spain has internationalised her economy, and now it is time to internationalise her culture. In the case of cultural industries, the most powerful resource, as we have tried to show hitherto, is language, and so there must be a specific strategy with regard to the rest of the industries. In this case, as far as brands are concerned, the most attractive productions resulting from cooperation with South America and Spanish-speakers in the United States should be included. Culture in Spanish is already a globalised brand; that is what distinguishes it from all other European cultures, except the British.

The fact is that there are few industries better prepared to take on the world of international networks than the cultural industries. According to the European Commission, the content, programme and service creation industry is the strategic springboard for the digital era and the information society, and therefore, investment in this field is a profitable investment in the future. In this respect, the audiovisual industries, led by television, are the players of the future. The key element will be the audiovisual sector. Television is set to be, with the tech-



Spanish cinema has shown a remarkable vitality in the last few years: in 1998, 334 Spanish films were shown on 122 tv stations around the world, with USA leading the chart.

nological advances up and running, the element of reference, the platform from which any type of cultural projection will without fail originate. The media groups must plan productions of greater quality and drawing power for an international public. The field of operations over the next few years seems to be for the audiovisual sector to feed on contents and work on the conjunc-

>the best way of contributing to this expansion of spanish culture as a top brand would be to set up a television channel by satellite

tion, and projection, of interests between cultural interests, to bring about an improvement in competitiveness and market shares.

Thus, the best way of contributing to this expansion of Spanish culture as a top brand would be to set up a television channel by satellite to cover the area from Seattle to Manila, or Stockholm to Johannesburg, broadcasting

non-stop twenty-four hours a day. While Enrique Krauze rightly feels that this should already have been offered to the Hispanic population as a whole, this model could be extended to take in all other countries whose inhabitants wanted to learn Spanish. This digital channel would give information covering all aspects of culture: books, magazines, theatre, interviews, talks, documentaries, music videos, historical series, and so on. This vast creative and educational spectrum would also take in a wide range of cultural offerings from all of these countries, as well as productions in collaboration with other Hispanic and non-Hispanic countries.

This would be a world showcase for a cultural pulse and nerve, with no frontiers and which could be viewed anywhere, anytime. It would be a long time before there was such a wide-ranging or ambitious platform for the promotion and spreading of culture. The recent setting up of Telesur, known as the Latin American CNN, is no coincidence. This channel, scheduled to start broadcasting in April, is a news channel promoted by Venezuela and Argentina, with Brazil expected to join shortly, and has the same objective as above. Television is a key element, because it is a privileged platform which is set to expand even more



"Let us set up a Spanish Hollywood" (Antonio Banderas). In the picture, the Spanish actor with the Shrek puppet, for which he was the voice of Puss in Boots in the sequel.

in the future, especially in its digital and thematic formats. In February 2005, in the North American Super Bowl, broadcast to a world audience of over one billion viewers, and which is seen by a record audience of 109 million viewers within the country, we saw for the first time an advertisement for a Spanish firm, Cosentino, which cost 80,000 dollars a second.

One of the most emphatic examples of this cooperation, this pursuit of the modernisation of culture expressed in Spanish, is to be found in the cinema. Spain is the sixth film nation of the world. But there is a need for big production companies; diffusion is one of the problems to be solved with regard to the internationalisation of Spanish language cinema. Success depends, to a greater or lesser extent, on whether there is a solid business structure or not. A few days before receiving the Oscar for the Best Foreign-language Film for *All About My Mother*, Pedro Almodóvar said he would, if he won it, dedicate it to “our language, which makes my films what they are”. And also José Luis Garci’s films, and those of Fernando Trueba, and Buñuel before him, just to name Spanish directors awarded the coveted statuette in Hollywood, the centre of the film-making labyrinth since the early days of the 20th century. “A statuette that has now also been won by another huge talent in Spanish cinema, Alejandro Amenábar”. And he achieved it as a result of the internationalisation of Spanish-language culture, specifically, the cinema, a metaphor for contemporary creativeness, defined so clearly by the great author Guillermo Cabrera Infante as being the “craft of the 20th century”.

This change of perspective has been highly significant for the present and future of Spanish-language culture. Antonio Banderas announced in mid-2004 what he believed was an increasingly urgent need if the intention was to highlight or place this culture among those that mattered: “Let us set up a Hispanic Hollywood”; in other words, try to make more of the market in Spanish. He admitted that it would not be totally out of the question to have a studio devoted exclusively to Spanish-language films: “There should be a Spanish Hollywood supported by Hispanic professionals and banks. A studio based in Los Angeles (...) The Spanish, Argentinean and Mexican cinemas should merge and others would join in to set up their own Hollywood”.

A little over two years ago, the *Herald Tribune* pointed out how Spain and South America had managed to create a common cultural space. One example, which could lead to others, is the film *No One Writes to the Colonel*, which could become the metaphor for this prodigy of culture, this now common experience, where a Mexican director, Arturo Ripstein, adapted for the screen a novel by the Columbian Nobel Prize-winner, García Márquez, starring a Spanish actress, Marisa Paredes. In the last ten years, from the Argentinean Adolfo Aristarain’s emotional film, *A Place in the World*, to Alejandro Amenábar’s *The Others*, or the Chilean director, Lübbert’s *A Cab for Three*, or the moving masterpiece *Son of the Bride*, by another Argentinean, Juan José Campanella —nominated for the Oscar in 2002— and 2005’s Oscar-winner, Alejandro Almenábar’s *The Sea Inside*, production, which mirrors creativity, has consolidated this position which for decades had been denied to it, both at home and abroad.

In the United States, where takings for Spanish-language films are higher than anywhere else, the increase has been spectacular, almost 60 per cent more than in the previous year. In the case of the cinema, takings abroad in 2000 increased 41 per cent.

Spanish cinema has also shown a remarkable vitality in the last few years. In 1998, 334 Spanish films were shown on 122 television stations around the world. At the top of the list was the United States (170 films) followed by Germany (98), Italy (88) and Mexico (75).

THE CINEMA, AN UNDERUSED TOOL



IN FACT, THE SPANISH HAVE A SORT of “Don Quixote” complex. They are embarrassed about doing anything which seems self-seeking. They put their ideals before any monetary interests, something which is not very practical in the current hypercompetitive world.

Today cultural tools are used to promote commercial activity and reinforce the prestige and value of particular countries’ products and brands. The cinema is an obvious case that Spain exploits very little.

Spanish directors win Oscars and some actors are famous the world over, but the Spanish do not take advantage of this.

We all remember films that were conceived only to launch a brand of car, or a particular geographical region or a cluster of tourist resorts.

It would be so easy to promote Spanish oils, wines and ham, hotels and charming villages, fashion and lifestyle in films that are shown the world over. Why don’t the Spanish do so?

This would indeed be a really effective promotional tool to show the “Spain Brand” for what it is—one of the best brands in the world. ®



Spanish music earned over 18 million euros overseas in 2004.

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The Ibermedia Programme for co-production between different Latin American countries (and I am including Spain here) has been a success that has revitalised and internationalised what was up to then (the early 1990s) the declining American cinema. Even in countries far beyond the orbit of Spanish influence, such as Japan. The success of film-makers such as Isabel Coixet with *My life without me* are setting the trend in this direction.

In Japan, package tours to the locations of Coixet's film have been organised, because of what the Spanish director's film meant to Japanese audiences. The fact is that in 2004, Spanish audiovisual works (films, series and so on) earned nearly 4,500,000 euros abroad, in a market that had barely opened up, with France and the United States being the two biggest customers.

"As for the music sector," noted José R. Lasuén, Blanca Olmedillas and José L. Zofio in a recent article, "an analysis of the national repertoire that has been recorded also explains the existence of this shortfall, although the figures provided by the authors reflect an optimistic trend towards equilibrium in the foreign balance."

An equilibrium that, once integrated into Spanish-language music as a whole, would increase remarkably. Globalisation and the spread of branded music in Spanish has undeniably been a boost for music in Spanish. According to figures provided by the SGAE, Spanish music earned overseas close to 18 million euros in the first eleven months of 2004, and that is without counting what the rest of the Latin American countries earned, which would be the dominant factor for this element of what we have been calling Spanish-language culture. No less a newspaper than *The New York Times* acknowledged and celebrated *Lágrimas Negras*, by Valdés and El Cigala, a record pro-

CULTURE AND LANGUAGE AS LEADING BRANDS

duced by Fernando Trueba, as its “record of the year”. “Spain is the new France”, proclaimed a heading on the front cover of the Sunday edition of *The New York Times* dated 10th August 2003, of an article by Arthur Lubow devoted to the success of the restaurateur, Ferrán Adrià, and the historian, Jonathan Brown noted in ABC: “All this recent attention from the New York press does not imply that the recognition of Spanish culture in that city is something new, because it has always roused the admiration of those in the know. No. The novelty lies in the defining of this culture as being innovative and influential. From this viewpoint, the re-addressing of Spanish culture in New York is a historic step for Spain’s image here. In the sphere of artistic culture, Spain has moved from the periphery to the centre”.

Something similar to what has been happening with the cinema, music or gastronomy is also occurring with the powerful publishing industry, particularly literature. Probably the publishing industry is the most powerful of all, with more than 60,000 titles a year. Today the great commercial and institutional prizes, as well as those directed towards a reading public that is perhaps a minority, but nevertheless of special interest to the authors, barely make a distinction regarding the nationality of the authors, and are aimed at a broad spectrum occupying the entire world of Spanish-language literature.

Publishing has an annual turnover of 6,000 million euros. Between 25 and 30 per cent of production is exported, half to America—including the United States—and the other half to the European Union. In 2004 exports to the European Union increased, and for the first time in the last decade, the depreciation of the dollar did not hinder exports. These exports were worth close to 500 million euros, with a net positive balance of 346 million euros, 3.4 per cent more than in 2003. The Spanish publishing sector is ranked fourth in the world, and third in the European Union. It is made up of nearly 700 publishers, with over 400 SMEs operating as going concerns.

Thus, it is no longer coincidence, but the result of a firm resolve to have a presence in the bookshops, screens and stages all over the world with a vision, a sensibility and an industry—key elements in 2005 in what is called culture projected to the public—which address, with a tremendous creative impact, the uncertainties of reality, the challenges of its very *raison d’être*.

The future of Spanish-language culture—and of all future cultures—lies in its ability to be aware of and interpret the potential of a common experience. In the case of the film industry, it has already become an unmistakable part of the cultural geography of a language such as Spanish.

The sociologist, Mario Gaviria, was right when she said: “People do not realise it, but Spain is eighth cultural power in the world”. The culture industry (publishing, cinema and music) has more weight in the Spanish economy than the electrical or chemical sectors. According to the *Sociedad General de Autores y Editores* (*General Society of Authors and Publishers* [SGAE]), culture and leisure account for 6 per cent of Spain’s Gross Domestic Product, a percentage similar to that of other countries such as the United States, United Kingdom and Germany. It is, therefore, the fourth most important sector in the Spanish economy, employing 760,000 people in nearly 100,000 companies. Exports, according to figures in recent years, were worth over 6 billion euros in the first few years of this new century. While Zara, Telefónica and BBVA are the best known Spanish brands, and all three have powerful culture patronage divisions, it was to be the case that these top brands dragged all the others along with them. What is more, this readiness to sponsor events is set to be taken up by other Spanish and South American brands, as has been the case with top North American and British brands.



The Spanish publishing sector is ranked fourth in the world, and third in the European Union.

The author Javier Marías during the presentation of *Baile y sueño* (Dance and Dream). Marías’ *Corazón tan blanco* (A Heart So White) has been translated into dozens of languages.

Royalties collected abroad from the scenic and audiovisual arts grew 13 per cent in 2000, and this means that in the last five years, takings have doubled.



Royalties collected abroad from the scenic and audiovisual arts grew 13 per cent in 2000, and this means that in the last five years, takings have doubled.

The SGAE collected over 210 million euros in royalties in 1999, almost 9 per cent more than the previous year. Rights collected abroad rose by almost 21 per cent.

These figures are proof in themselves of a powerful, diversified industry, which is constantly growing and whose users, according to the Spanish Sociological Research Centre, range between 65 per cent—in the case of books—and 80 per cent—in the case of music— of the Spanish population.

To sum up, this language which sustains the cultural industries contributed 15 per cent of the GDP in 2004. In the United States alone, it generated a turnover of 300,000 million dollars, which amounts to 9.4 per cent of the world GDP. It remains to be seen how the State handles cultural activities abroad via the highly diverse and, at times, split, institutions it controls: the Cervantes Institute, the State Society for Cultural Commemorations, the State Society for Cultural Activity Abroad, the State Society for International Exhibitions, the International Cooperation Agency, the Spanish Institute for Foreign Trade and all other State bodies (Ministry of Education, Ministry of Culture, Ministry of Foreign Affairs, Ministry of Labour and others, together with the many activities run by the Autonomous Communities and City Councils).

That is a tremendous amount of economic and human resources that need to get their heads together (no easy task) in the pursuit of common objectives, by drawing up a concise plan of action for an attractive, common project: the Spain Brand.

It would be absolutely imperative to urgently draw up a White Paper on the material and human resources available to cultural action abroad, in the public as well as the private sector, as well as the returns that this action would generate, or might generate as a whole. This would enable any type of future action to be planned on solid foundations. Because the wise barb saeta from by Antonio Machado all those years ago still holds true today: “What we all know between us is something that nobody knows”, which in our context might be rendered as “What we all spend between us is something nobody knows”. And if that is not known, how can we talk of returns? What does anybody know about returns if we do not know what we are spending?

THE PRODIGIOUS ARGENTINEAN WRITER, JORGE LUIS BORGES ONCE WROTE THAT “all language is an alphabet of symbols whose use presupposes a past shared by all the other interlocutors”. A past, yes, but also especially a present and a future. Spain, at the beginning of the 21st century, possesses a remarkable intangible asset—which, however, is now beginning to be quantified—in its cultural creativity, in its diverse and multiple cultural manifestations which are growing and acquiring an Atlantic dimension with the increasing number of projects and activities carried out with the rest of the Spanish-speaking nations.

So it is hardly surprising that today we refer not so much to a Spanish culture, as to something more ambitious and cooperative, a Spanish-language culture. This is one of the miracles of culture. Beyond the figures (as one pessimistic economist once pointed out, “statistics are petrified tears”), there is a language that is spreading, bringing along with it a culture that is diverse, open and contemporary.

This is nothing new, but it represents the recovery of a dialogue that had begun at the beginning of the 20th century between writers on either side of the Atlantic. During Federico García Lorca’s first trip to America, he was asked what he felt on first touching American soil, and his reply was as lucid as it was emphatic: “I believe that a Spaniard who does not know America does not know Spain”.

Various generations, various voices and accents, various critical perspectives, various landscapes and inhabitants, make up, in the formidable aleph of a cultural flood, the navigation chart of Spanish-language culture at the beginning of this new century. A living cultural creation, pushing the limits, a product of wanderers and immigrants: a culture which expresses itself in a language of multiple tongues, a creative metaphor for what has been called crossbreeding, continues with its long, overwhelming fate of naming reality within the very confines of the exoteric and esoteric of life. A reality that is unrestrained, infinite. And the history of this cultural moment goes back a long way.

The creative impulse that arose during the first third of the 20th century on either side of the Atlantic has now been consolidated: the signs and emblems of almost absolute originality with regard to other cultures and milieus today show a catalogue of items, personalities, creative poetics and architectures that have the ability to extend the geography of Spanish-language culture to contemporary diversity as a whole.



“The Spaniard that does not know America does not know Spain” (Federico García Lorca)

THE CULTURE BRAND-LLADRÓ

THE SIGNATURE OF AN AUTHOR OR ARTIST ON HIS WORK is undeniably a brand. It distinguishes it from another work, and if it is successful, after some time it serves to denote quality. Just like certain cars are distinguished more for their name than their features, one sculpture is worth more than another for the name of the artist that has signed it.

Spain is a country of art and artists who have worked together to ensure their country has a top “Culture Brand”. This skill has been used in many activities in which creativity and aesthetics are key elements.

Lladró is one example. It has been able to marry production with exclusivity and has made its porcelain figures an artistic work synonymous with Mediterranean culture. Its products adorn millions of homes in 123 countries. But they are also showpieces in museums such as the Hermitage Museum in Saint Petersburg, the González Martí National Ceramics Museum in Valencia and the International Ceramics Museum in Faenza (Italy).

Today, this name, originally a family business, is one of the best-known brands associated with Spain. ®

This is the first time, in Spain's turbulent history, that the invisible triangle formed by the creators (through the culture industries), public bodies and private companies, is taking shape outside her frontiers.
Opening ceremony of the "Universal Forum of Cultures".



The cinema and literature, particularly, but also popular music, form a splendid mosaic of this no less enigmatic interrelationship between language and culture. Something like the two sides of a sheet of paper, they cannot be separated. What defines Spanish-language culture today is eclecticism and synthesis, its two characteristic elements. They are works which bring together experiences and mix them. Tinged with dissimilar influences, taken from the most diverse areas of aesthetic and vital experience, Spanish-language culture feeds on a monumental syncretism which nevertheless, in its vast proliferation of voices and moods, techniques and languages, its infinite variety of registers and industries, preserves its secret unity, its own aesthetic identity. Without the heavy ponderousness of isms, Spanish-language culture has created a language of expression that is abundantly visual, diverse in its vocabulary and syntax, and has amplified the aesthetic understanding of reality, the aim of any creative mind.

The Spanish philosopher exiled in Mexico —or “transplanted” as he liked to call it— José Gaos remarked that every library —the traveller’s library, which is the condition of everyone— is also a reading project. So is the journey, postponed so many times throughout history, that is being taken by Spanish-speaking culture. This time, the library has been completed with the map formed by contemporary culture: the cinema, music and the visual arts. One might say that this is the first time, in Spain’s turbulent history, that the invisible triangle formed by the creators (through the culture industries), public bodies and private companies, is taking shape outside her frontiers.

Will the Spanish-speaking community be able to respond with imagination and resources to the necessary internationalisation of Spanish-language cul-

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ture? Are the Spanish public administrations prepared to set up, and coordinate with other Spanish-speaking sectors and nations, the programme for this internationalisation, a programme to project this considerable cultural wealth? Can private companies be counted on for this? There are more resources available today than at any other time in Spanish economic history. Will Alfonso Reyes' warning at the beginning of this article come to pass, or will Spain cast aside the dreamy illusion that her culture is the culture of the future, and always will be?

Meanwhile, the facts and the warnings are there; meanwhile, contemporary forms and habits, the projection of culture sustained and supported, will make the State responsible for what is already common in the broad, distant avenue of the entire world. An immense, invisible avenue frequented by recognitions and opinions, such as when Juan Genovés stated in August 2004 that Picasso, Miró and Dalí had “done more for Spain than all the tourist posters put together”, or when Douglas Morgestern, professor of Spanish at the prestigious Massachusetts Institute of Technology affirmed that “Almodóvar has broken the tragic vision of Spain”, or when people are writing about the “Spanishpixel”, the Eteros (*Españolitos Tresdeseros Exiliados*), a group of young Spanish professionals in the United States, who with a computer at their fingertips are part of the latest generation of geniuses who have worked on cinema productions such as *The Incredibles*, *Spiderman 2* and *Polar Express*, or when the four best “ethical hackers” in the world are four Spaniards who have successfully developed the computer security program that has most often been copied, used by Nasa and various military organisations, and downloaded by over 20,000 people all over the world, or when the Uruguayan singer and composer, Jorge Drexler, this year's Oscar winner for the best original song, for the Brazilian director, Walter Salles' *The Motorcycle Diaries*, attributed his nomination to the boom in Spanish, by saying “the principal centre of cultural dissemination in the world is being conquered from within by the Spanish language. There is an evident fascination for our language there. Almost any city in the United States is now bilingual”.

Because this has to mean something if all this is so. And it must be so, at this stage of the projection of Spanish-language culture abroad. And it needs to in the shape of the most unequivocal top brand that Spain can export in this category: her language; in other words, her culture.

Julio Cerviño
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CURRENTLY, THE TERM “SPORT” HAS MANY MEANINGS, TAKING IN UNDER the same concept various sporting aspects with different characteristics and objectives. The first big division in sport is the one that distinguishes between sport for all and performance sport¹. The former is diverse and manifold, both in type and in organisation. Its *raison d’être* is for everyone to have the chance to practise physical and sporting activities, without any type of discrimination. The latter —performance sport— implies the selection of the best sportsmen and women, either in an organised fashion (through trials or tests) or spontaneously through the filter of competition. The history of performance sport is the same as that of organised sport. Here we find amateur sports (organised sports), high-level and professional.

In fact, performance sport, particularly professional sport, has become a global spectacle under the auspices of major international events and the audiovisual media. It is to this type of sport, and all that it entails, that we shall be devoting the thoughts and ideas of this chapter, with special attention being paid to the icons of global impact generated by this type of sport:

the sporting celebrities or stars.

These sporting icons are the model of a globalised culture and philosophy, providing spectacle, enjoyment and, obviously, generating economic value for the commercial brands that sponsor them and, in the final instance, for any economic sectors and countries that are directly or indirectly connected with them.

Sport and the value of brands

As a mass concept, sport serves as a catalyst of cultures, affecting all dimensions of social, political and economic life. Sport projects values, very often cultural values closely linked to the country or countries of origin of a particular sport. France’s success in the 1998 World Cup was linked to a team that represented one of the country’s principal values, multiracialism and multiculturalism. It is no coincidence that a good many members of the team came from abroad, beginning with its number one star, Zinedine Zidane, of Algerian origin. Interestingly, in the 2002 Presidential elections, this player, along with other sports personalities, intellectuals and artists, signed a manifesto advising of the danger of a possible victory by Jean–Marie Le Pen, known for his xenophobic ideas which went against the values lauded four years previously.

Of course, sport, in its various manifestations, can also be an indicator of the economic development of a country. In the same way as every country with an economically strong image usually has recognised commercial brands that have contributed substantially to the creation of that image, so sport, sports education and its associated spectacles are, above all, an essential indicator of a country’s social well-being and life quality. It is hard to find a developed country that does not have a clear ranking in one sport or another, or that does not have some world-famous sporting celebrity. With regard to the king of sports as a phenomenon that has mass-appeal —football— the Economics Department of the Goldman Sachs merchant bank has found a clear correlation between a country’s economic situation and its football successes. Taking as their sample the 32 countries who disputed the World Cup in Japan and South Korea, they represented 84 per cent of the world GDP, a higher proportion than in the sixteen previous World Cups. There were exceptions, of course. India and Canada were the only countries out of the ten biggest economies



in the world to be knocked out in the preliminaries. In Europe, the most notable case was Switzerland, with scant football potential if one takes into account its GDP per capita.

Similarly, as Vázquez Montalbán (1996) maintains, sport and sporting spectacles are now the most effective mass participation mechanisms, in the style of a pagan religion devoted to the exaltation of the gods of victory and defeat. Computer-age man has become a terminal for the information that reaches him via all types of channels, and he only really takes part with *others* when he attends sporting events steeped in a para-religious liturgy. With regard to football, Vázquez Montalbán defined a Football Club as “a fatherland, a football team is turned into a symbolic unarmed army that stages the dramatic game of defeat or victory. If your team wins, Monday does not feel so much like Monday. If your team loses, Monday is the absolute proof that there are ghastly days in ghastly years inscribed in a ghastly life”.² In the same line of thought, Vidal-Beneyto has underlined the global importance of sport as a mechanism to integrate an increasingly individualised-contemporary society. This hyperindividualistic, hermetic contemporary society, which banishes the individual to its social perimeter, needs, and indeed finds in, sporting spectacles a collective atmosphere to become a part of, in

Sport, sports education and its associated spectacles are, above all, an essential indicator of a country’s social well-being and life quality. In the photo, the powerboat Rodman 64.

order to provide those social ties, those links of solidarity that are missing and which a common cause—the success of the team—imbues with remarkable relevance³.

Finally, sport has an emotional and symbolic dimension. Without the broadcast commentary, the cheering of the spectators, the controversy of a doubtful referee's decision, or the team rivalry that the spectators identify with, a sporting spectacle would have no interest. This emotional dimension causes the followers of a team, player or sportsman to maintain a relationship of loyalty that would be hard to find in other markets. One supports a particular team, and one does so, with very rare exceptions, for life, regardless of the degree of satisfaction it may bring one in terms of sporting results. As one senior director of Real Madrid Football Club pointed out recently, an individual may change his brand of car when he next buys one, may change parties in the next election, and even get divorced, but it is highly unlikely that he will change his football team.

The symbolic dimension lies in what sport represents. Consumerism is the most important structural element in our society and has a major symbolic dimension. Very often, we buy products and brands and use services, not for what they can give us, but for what they represent. As Jodorowsky (2002) rightly pointed out, sports are spectacles “attended by kings, presidents, ministers—who do not attend carnivals—events that are televised so that millions of people can see them, giving them a profound significance”⁴. The symbolic dimension of sport is also related to the identification made by fans between a team or a sportsman and what they represent. For these fans, it is not only the Spanish football team that represents them. It is also Fernando Alonso in Formula 1, Dani Pedrosa in motorcycling or Carlos Moyá in tennis. And when they win or lose, it is not only a football team, driver or tennis player that wins or loses, it is also Spain. In the same way, when one is a supporter of a particular team, one is also a supporter of the symbolic values attached to it.



When they win or lose, it is not only a football team, driver or tennis player that wins or loses, it is also Spain.

Audiovisual globalisation and sponsorship as driving forces for the internationalisation of sport

Sport's economic importance has been constantly growing over the last few decades. If we take just football, it has been estimated that this sport generates some 235,000 million euros a year worldwide⁵. Everybody is aware of the economic, social, cultural and even political significance of sporting activities today, although it is probably in the economical aspect that this importance really lies. The world of sport attracts an enormous amount of economic resources, and furthermore, its activities go beyond the simple sporting function, and they become spectacles in which those with similar interests participate, whether they are fans of that particular sport or not.

The economic importance of sport has grown alongside the development of television, particularly the introduction of digital platforms. Similarly, many sports, mostly professional, have found new allies for their economic growth, such as the Internet, merchandising, the new distribution formats and particularly the application of modern sponsorship programmes, using sporting celebrities as cult icons with great commercial projection. Today, Clubs and their stars are sports brands that are administered as genuine assets that generate value for their shareholders, sponsors, employees and customers. It is not just the broadcasting rights of sporting events that are traded. The Clubs are brands that are sold in merchandising programmes, generating substan-



The world of sports attracts an enormous amount of economic resources.

tial income. And their media stars generate image rights and brand royalties for an increasing number of products and services.

Alongside the economic growth that the sporting world has experienced in recent years, the professionalisation of its management has also grown in importance. Economic management aspects have gradually gained ground in the vast majority of professional sports. Financial management, budgetary control and stock exchange quotes are now common in certain sports. Marketing has also had a higher profile in this context.

> **t**he clubs are brands
that are sold in merchandising
programmes

Sponsorship in sport as a vehicle for creating a brand image

Sponsorship is one of the so-called action or event communication techniques, to be found mid-way between public relations and sales promotion.

This type of action communication represents a relationship between the sponsor, its brands and the market via a new unifying element —here, a sporting spectacle or star. For the sponsor or brand, the most important features of this relationship are (Agudo and Toyos, 2003):



Today there is a clear relationship between sponsorship and sport.

In the photo, the members of the "Spanish Armada" pose with the "Salad Bowl" in 2004.

- It allows for a reevaluation of the commercial image of the company and/or its brands.
- It can reach large audiences through the attention of the mass media at sporting spectacles.
- Sponsorship has to be made profitable through advertising.
- It enables short-term relationships —sponsorship of a specific event, for example— as well as long-term relationships via a lasting connection with a sports personality, club or team.

Today there is a clear relationship between sponsorship and sport. According to Professors Mullin, Hardy and Sutton (1993), some of the reasons for this are as follows ⁶:

- The interest aroused by sports programmes in the media, as a result of people's devoting more time to leisure, and sport in particular.
- The growth of new media, such as satellite television, with the consequent increase in live sports broadcasts, providing sponsors with new channels of communication.
- The growth of the commercialisation of sport with an increasing participation by private initiative.
- The globalisation of major sporting events —the World Cup, the Olympics, the Athletics World Championships, etc.— which has enabled the large multinationals to overcome social, language and cultural barriers by linking their brands to events, great teams or sports stars.

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Miguel Induráin on one of the stages of the Tour de France.

It is true to say that corporate sponsorship of sporting activities and events is one form of commercial communication that can capture large audiences. The growth rate of sponsorship investment is much higher than investment in traditional media or sales promotions. It is estimated that in the United States alone, the sponsorship industry was worth some 10 billion dollars in 2001. At the international level, sports sponsorship moves some 25 billion dollars⁷. According to the International Event Group (IEG), the most popular of all the various types of event are sporting events, absorbing 67 per cent of all sponsorship investment.

In general, there are various objectives that the sponsoring brand might have, such as⁸:

- To increase awareness of the company, the brand, or both.
- To modify or reinforce the image of the company or brand.
- To identify the brand with particular segments of the market.
- To integrate the brand in the community.
- To form a relationship with the opinion-makers.
- To generate media profits.
- To achieve sales objectives.

In the final instance, we might say that through sponsorship, the brand or company are seeking to increase their brand equity. In other words, the aim is for the consumer to perceive the brand as different from the others—with positive viewpoints and associations as far as its attributes are concerned that distinguish it from competing brands; for the brand to become more recognisable in the consumer's mind and, finally, for it to have an effect on consumer behaviour through a rise in sales or consumption, loyalty and acceptance of inflated prices. In fact, these are the objectives of any brand management programme, in that the ultimate objective is to create higher brand value on the market.



Sponsorship of sporting activities and events is one form of commercial communication that can capture large audiences.



Interest in Real Madrid grew considerably on the basis of having stars such as Zidane, Figo, Ronaldo, Raúl or Roberto Carlos in the team.

Brand sponsorship activities are important mechanisms for creating brand value, as they are highly effective in creating positive associations for the brand. These associations are created by linking the brand to something else—a sporting celebrity or spectacle. In this process, the consumers infer that the brand shares associations with this something else. In the sponsorship of a sporting event, a brand can achieve and transfer to its image the associations of this event. For example, the Mountain Dew brand of soft drinks has successfully established “living-on-the-edge”-type associations by sponsoring sports such as skateboarding and snowboarding, which have associations similar to those sought by the brand.

Within this concept of brand value creation, it is hardly surprising that market orientation is playing an increasing larger role in decisions regarding the signing of players or sportsmen. This is clear to see in basketball and football, and even in cycling. The signing of Figo by Real Madrid is a good exam-

ple of this tendency. Figo was one of the first players to transfer his image rights to a club. The Real Madrid chairman convinced him that marketing and a relationship with the top brands was easier through a major club than through a middleman. “They make a custard advert and they give him 120,000 euros¹⁰, while if he’d done the same advert wearing a Madrid shirt, he’d have got a million euros”. There is nothing more profitable than signing a big star, however high the price, because he will pay for himself in two or three years. Sports associations, clubs and administrators understand that sports stars have a set of market-value assets that, if administered properly, can generate a major flow of income.

In other words, part of the economic growth and media importance of a good many sports feeds on its performers —players, drivers, tennis-players, etc.— and above all the stars, those acknowledged by the fans and the media as the best in their discipline. Earlier, we noted the importance of sports stars from a commercial point of view with sponsorship and television advertising. However, these stars are also very important for promoting the product, in this case the spectacle. Agudo and Toyos (2003) talk in their book about the “Pedjmania” that was unleashed in Valencia as a result of the announcement of the signing of Pedja Mijatovic by Levante (a team based in Valencia that was at that time in the Second Division). In two days, sales of season tickets doubled. Similarly, in 2001 and 2002, interest in Real Madrid increased considerably on the basis of having stars such as Zidane, Figo,

> sponsorship activities

are important mechanisms

for creating brand value

THE WHITE KING OF FOOTBALL

CONSIDERED BY FIFA AS THE BEST SPORTS CLUB OF the 20th century, Real Madrid, with 103 years of history since its foundation, is supported by over 120 million fans worldwide. The crown that tops its shield, which is a result of the concession of the title “royal” by King Alfonso XIII in what was the first King’s Cup in 1920, is appropriate: it is indeed a team of the highest category, a royal team.

It has won a slew of titles to give it this unmistakable quality. Its honours board consists of 29 League titles, it has won the King’s Cup 17 times, nine European Cups and one European Supercup, two UEFA cups, three Intercontinental Cups and one League Cup, among other successes to which must be added those won by the basketball team, the Club’s other sporting activity.

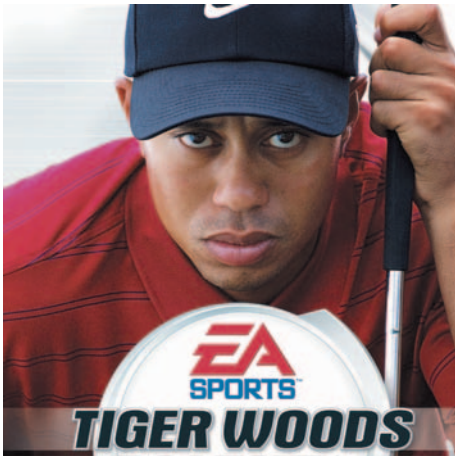
Madrid’s glory came, to a large extent, thanks to one of the greatest footballers ever, Alfredo Di Stefano, who signed for the Club in 1953 and was responsible for another League Title. Later was to come the Butragueño era and a highly successful stage in sporting success and in the business dimension. Today, it is simply the club of the “galácticos”.



The Club’s success is not just on the field and due to the stems from the image that the Club has taken upon itself to masterly skills of footballers such as David Beckham, Luis Figo or Raúl; it also stems from the image the Club has taken upon itself to transmit through various marketing activities: merchandising, sponsorship, season tickets, points of sale, a television channel and an international expansion plan which will help the number of fans to keep growing. ®

Ronaldo, Raúl or Roberto Carlos in the team. Attendance at stadiums depended on the presence of these names in the competition. Indeed, in the tours the Club made outside official competitions, organisers who contracted them were guaranteed the presence of all of them and their participation in matches, at least for part of the time.

Internationally, this relationship between a star and the boom and growth of a product has been seen with Tiger Woods and golf. Some financial researchers have confirmed that no other professional sportsman has had such an impact on a sport as Tiger Woods on professional golf —the PGA Tour. In 1996, Tiger Woods was still an amateur. In August that year he turned professional. After four months as a professional, Tiger Woods was named PGA Tour Rookie of the year and sportsman of the year by the prestigious Sports Illustrated magazine. In 1998, Tiger Woods was the number one golfer in the world. His media impact was impressive, particularly noticeable in the increased audience for golf tournament broadcasts. This grew by 14% in 1997 over the previous year. And CBS, which owned the exclusive rights for the Masters, saw its audience increase by 25% in 1997 ¹¹. As far as brands were concerned, it was Nike that invested most in the sponsorship of Woods, with a five-year contract worth between 40 and 60 million dollars. Profitability for Nike was not long in coming. In the financial year ending 31st May 1997, the sales of Nike golf clothes and shoes were double those of the previous year. For all the brand's products, sales for the quarter immediately following the signing of the sponsorship deal with Woods increased 55 percent.



Tiger Woods' media impact was impressive, particularly noticeable in the increased audience for golf tournament broadcasts.

In Spain, too, there have been similar cases of audience increase with regard to sporting events or a particular sport. The popularity of Severiano Ballesteros in the late 1980s and the subsequent appearance of other Spanish golfers on the world stage may well be related to the growing number of Spaniards playing this game, or even to the large numbers of moneyed tourists who go to Spain to play. Similarly, the amazing sporting career of Fernando Alonso in Formula 1 has sent audiences soaring for Formula 1 broadcasts in Spain. Certain headlines were in no doubt: "Spain swaps John Paul II for Fernando Alonso"; "Fernando Alonso cleans up on TV too". Over 3.7 million viewers followed his win in Malaysia on Sunday 17th April, broadcast live by Tele 5 (from 8.00 to 10.15 am) as well as the repeat (12.30 to 2.30 pm). One out of every two viewers watching television at 8 in the morning was following the race, with a 55.8% share. Even the repeat of the win at 12.30 attracted 1.8 million viewers, with an audience share of 30.7% ¹². Obviously all these Spanish viewers, as well as millions of other viewers around the world, will have seen his principal sponsors, including Telefónica, and above all, Spain's strong position in a sport that was previously the province of the G-7 countries.

The importance of sports stars in the creation of brand image

As we pointed out in the previous section, relating a brand with a sporting celebrity through a sponsorship deal helps to increase consumers' attention and interest in a brand, as they associate it with sporting events or stars that are important to this target group of consumers.

A credible sporting celebrity can serve as a significant base to improve the worth of the advertising for a brand or to improve the brand's image. Various empirical studies have shown how sports stars can have a positive influence on consumers' attitudes to brands, beyond merely increasing brand awareness over other brands.



The amazing sporting career of Fernando Alonso in Formula 1 has sent audiences soaring for Formula 1 broadcasts in Spain.

One of the earliest studies, conducted by Professor McCracken (1989), established how the process of value creation between brand and celebrity was carried out. He put forward a theory based on the concept of the *transfer of meanings*, where the meanings refer to what the sports star or celebrity “represents” for the consumers. This meaning is shaped over time by the individual consumer’s interpretations of the public image of the sporting celebrity in question. This celebrity image is gradually formed by the consumer’s perception of the public activities of the said person, such as what he sees on television, his attendance at events, news in the press and magazines, and so on. This theory maintains that the meanings (associations, values, images) attributed to the celebrity will be linked to the brand image when they come together in a sponsorship deal or advertising campaign. Similarly, celebrities or sportsmen also create an image for the countries they represent. As we noted in the case of the French national football team, the image of Spain as an open, multi-cultural and diverse country may also be projected through a number of sports personalities who have taken Spanish citizenship in recent years, gaining major sporting successes in the colours of the national team.

In addition, it should be pointed out that many of the characteristics and meanings of the various sports stars are also linked, to a certain extent, to the meaning of the sports or events that they represent. In this respect, the effects of linking a sports star with a brand are also governed by the type of “meanings and associations” of the sport or sporting event in question.

Similarly, the strength of the link created between the brand and the sporting celebrity will depend on how much parallelism there is between the two, and also between the type of sporting event and the brand. One of the earliest studies to analyse empirically the importance of the “match-up” between

the brand and the celebrity was carried out by Professors Kahle and Homer in 1985 and published in the prestigious *Journal of Consumer Research* ¹³. In their research, they found enough empirical evidence to support the view that advertising effectiveness and brand image were vastly improved when the image of the celebrity was compatible with the

image of the brand. Based on this study, a good many others were conducted using Kahle and Homers’ hypotheses. One of these studies analysed how the image of Clint Eastwood —associated with being “hard” and “tough”—worked very well for endorsing a brand of jeans, but not at all well for a table game ¹⁴. In the first case, using Clint Eastwood as an endorsement produced some very favourable reactions regarding the brand. This was not so with the second case. In fact, based on cultural analyses of countries, Clint Eastwood, like the Marlboro Cowboy, perfectly embodies the cultural idiosyncrasy of American society and the country’s image: individualism, strength, security and competitiveness.

In the field of sport, too, there have been various studies to assess the impact of the degree of congruence between the sponsored event and the brand image. The degree of congruence may occur directly or indirectly ¹⁵. The direct form will occur when the products and brand sponsoring the sports personality or event are used or may be used in the event and/or consumed by those taking part in the event. Other investigators defined this type of relationship as “functional congruence” as opposed to “image congruence”.¹⁶ Some examples of this type of compatibility or congruence would be the Spanish watch brand, Lotus, sponsoring the Conde de Godó Tennis Tourna-

>the strength of the link created
between the brand and the sporting
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parallelism there is between the two

Table 1. The sportswoman with most commercial potential

Rank	Sportswoman	Country	Sport	Total points	% of first place votes	Principal Brands Sponsored
1	Serena Williams	USA	Tennis	219	60.71%	Puma, Wrigley, Avon
2	Annika Sorenstarn	Sweden	Golf	156	21.42%	Mercedes, Callaway
3	Mia Hamm	USA	Football	124	7.14%	Gatorade, Nike
4	Venus Williams	USA	Tennis	89	0%	Reebok, Wilsons
5	Lissa Leslie	USA	Basketball	53	1.78%	Sony, Kraft
6	Anna Kournikova	Russia	Tennis	34	1.78%	Omega, Berlei, Adidas
7a	Michelle Kwan	USA	Skating	25	3.57%	NA
7a	Marion Jones	USA	Athletics	25	3.57%	Nike
9	Michelle Wie	USA	Golf	19	0%	Adidas
10	Sue Bird	USA	Basketball	14	0%	Honda

Source: *The Sports Business Daily*, 2003.



Iberdrola is sponsoring the Spanish Challenge project for the 2007 Americas Cup in Valencia

ment, or the isotonic drinks brand, Aquarius, sponsoring Carlos Moyá. The indirect form (based on features of the image in common) occurs when certain aspects of the sponsor's brand image are related one way or another with the image of the sporting event in question. For example, the Americas Cup and Paco Rabanne (a brand belonging to the Spanish perfume-maker, Antonio Puig) may be closely related in terms of their prestige image, or Iberdrola which is sponsoring the Spanish Challenge project for the 2007 Americas Cup in Valencia; and then, closer to home, the 2005 King's Cup Regatta sponsored by Agua Brava (a brand of cologne belonging to the Puig Group – the name means 'Wild Water'). Obviously the match-up in this case is a good one. As their slogan says, "The wildest regatta in the Mediterranean".

In general, it has been shown that the closer the congruence between brand and sporting celebrity or event, the greater the positive effects on the image of the sponsoring brand, and the sooner consumers link the brand to the sports personality.

Another line of research with regard to celebrities has shown that their effectiveness in generating brand image and value depends on two key attributes: the degree of credibility of the celebrity to endorse the product or brand, and the drawing power of the celebrity. The first refers to the extent to which the consumer perceives that the source (the celebrity) has sufficient understanding and/or experience of the product or brand, and can therefore be assured that the celebrity is transmitting unbiased information.

In this respect, we see that underlying this concept of credibility are another two components: experience and trust, which will affect the degree of conviction of the message. Experience may be defined as the perceived ability of the celebrity to make valid statements. Sports stars are chosen for their knowledge or experience with a particular product or service. Research in this area has shown a celebrity's perceived experience with the product or category is what has the biggest impact on the consumer's reactions with regard to the brand ¹⁷.

Sportsmen such as Carlos Sainz or Fernando Alonso can endorse brands of cars, lubricants or tyres, given their long experience as drivers. Similarly, Pau Gasoll has abundant credibility when endorsing trainers and isotonic drinks. As far as the second component, trust, is concerned, this has to do with the consumer's perception that the celebrity is trustworthy; in other words, that he will tell the truth and make only true statements.



Serena Williams has the ability to appeal to multicultural audiences: blacks, whites, young, old, rich and poor.

> sports stars can increase the value of the brand they are associated with

As far as drawing power, or attraction, are concerned, all through history society has been defining what particular features of people are considered attractive. Therefore, it is not surprising that physical attraction—as another of the celebrity’s attributes— could affect the way the message is received by the public. It is true to say that a great many studies have shown

the positive consequences of using attractive celebrities, based on the theory that consumers think more highly of brands that use attractive models in their advertising. This attribute is congruent with the fame of certain sports personalities, as in the case of David Beckham. Although there are a good many European or South American footballers who are famous enough in their countries of origin or adopted countries to sponsor a multitude of brands, very few are so well known in the United States as David Beckham. Most North Americans have never seen Beckham play, and probably have no interest in this sport. Yet his metrosexual image, allied to his

multitude of brands, very few are so well known in the United States as David Beckham. Most North Americans have never seen Beckham play, and probably have no interest in this sport. Yet his metrosexual image, allied to his



Sportsmen such as Carlos Sainz or Fernando Alonso can endorse brands of cars, lubricants or tyres.

links with music and fashion —as a result of his marriage to the ex-Spice Girl, Victoria Adams— have made him a football (soccer in North American parlance) icon in the United States.

In view of this, it is hardly surprising that in a survey conducted in 2003 by the North American *The Sports Business Daily* of over 60 companies in the sponsorship world, advertisers, advertising agencies and the media, regarding sportswomen with the highest commercial potential, the leading places were occupied by women who not only shone for their sports prowess, but who also showed a great deal of sexual attractiveness. Each company surveyed was asked to name its top five sportswomen in ranking order. Table 1 shows the results of the survey.

Serena Williams came out top as far as sports marketing was concerned. Her supremacy on the tennis courts has led her to many other activities. Serena Williams appears in TV series such as ABC's "My Wife & Kids" and "Street Time". The chairman of the sponsoring company 16w, Frank Vuono, noted some of her characteristics: "She has a great personality, clean image, and continues to improve on and off the court". The Bonham Group Chair Dean Bonham added of Serena: "Sexy, sassy, strong. If she stays healthy, she has marketing legs. Extra points for her ability to appeal to multicultural audiences." There is no doubt that Serena Williams has the ability to attract a wide range of audiences: blacks, whites, young, old, rich and poor. In this respect, the famous analyst Michele Tafoya of ESPN adds in the editorial that "Serena continues to dominate a sport that gets plenty of exposure. Add to that her smile, good looks, flare for fashion and her controversial family, and you've got an interesting and highly marketable commodity".

A review of the theories enables us to state that sporting stars can, through sponsorship deals or links with brands, substantially increase the image of the brands they are associated with, and in the final instance, increase the value of the brand with regard to its consumers. This is quantified by an increased likelihood of purchase by current and potential customers, lower price sensitivity, improved positioning with regard to the competition and greater loyalty from its current clients.

As well as the value in the brand image and its market results, association with a celebrity can also increase the financial value of the company on the stock market. Stock markets usually react to announcements that a company may make with regard to its sponsorship deals with a famous person. This information is used by financial analysts to assess the potential returns on investments in this sponsorship, and therefore, how they will affect the expected cash flows for the company or brand. The share value reaction to these announcements would show whether the decision to invest in such-and-such a celebrity was perceived as positive by the investors. A study by Agrawal and Kamakura (1995) published in the prestigious *Journal of Marketing* has confirmed this premise¹⁸. These authors analysed over 110 corporate announcements in the daily and specialist press on sponsorship deals with celebrities between January 1980 and December 1992. The sample was made up of some 35 companies and 85 celebrities. Forty-seven of these 85 celebrities were famous sportspeople (56%). The results showed that, on average, the announcement of these deals had a positive impact on the share values, which suggests that this type of association of brands with top sportspeople is perceived as a useful investment by the financial analysts.

In the same line as that study, other researchers analysed the effect on the share prices of Nike Inc. and American Express after the announcement of their sponsorship deals with the golfer, Tiger Woods. The prices of these shares rose higher than the market average on the days that followed the signing of the deal¹⁹.

The country image and its sporting stars: a strategic alliance viewpoint.

So, having analysed the relationship between sports stars and the positive impact on the brand image and value, now would be a good time to analyse the relationship between sports stars and the country brand. To a certain extent, the national qualities of a sportsperson can be transferred to the country image and vice versa. As we pointed out earlier, there is evidence of a certain relationship between a country's economic and cultural development and its sporting development. Part of the economic achievements of former Soviet Union countries, China or Cuba were projected to the world through their sporting successes and achievements. Naturally, through their sporting projection, these countries aimed to transmit to the world an image of social and cultural development that was typical of an egalitarian society.

In theory, it might be argued that famous sportspeople on the international scene can generate positive effects on the image of their country of origin. That may be so, but it is also true that there have not so far been enough academic studies to prove empirically this relationship, and what is more, proposed work in this field is based on analyses of the effect of celebrities on the value of the brands they are associated with. At any event, an American Marketing Association study carried out in 2001 analysed, as part of a wider study, the way famous personalities affected the valuation of certain attributes of their countries of origin, and also the purchasing intentions for products from these countries²⁰. After carrying out the appropriate statistical analyses, the study was able to find significant effects between the celebrities and the assessment of their country of origin. However, the study was limited to just two countries (the United States and Austria), using North American celebrities only. In this respect, the results serve as a guide to theoretical reflection but they cannot be extrapolated to other countries or contexts.



The national qualities of a sportspeople can be transferred to the country image and vice versa. The veteran golfer and Honorary Ambassador of the Spain Brand (EHME), Severiano Ballesteros.

So how to analyse this relationship between sportspeople and/or sports stars and the country image they represent? To examine this relationship in more detail, we would first have to analyse how the image of a country is configured and where these types of celebrities would come into play.

From an economic standpoint, the country brand is the set of assets and liabilities linked to the image of a particular country that add or subtract value to and from the products and services offered by that country's companies and institutions. Like corporate brands, the country brand evokes certain values, qualities and emotions in consumers' minds regarding the likely attributes of the goods and services coming from that country. These perceptions are defined as the country brand image, also known as the "country-of-origin effect" (COE). Similarly, from a broader viewpoint, we can also transfer these perceptions to the people, institutions and companies linked to a country and to the political, social and economic conditions that prevail therein.

The country brand is multi-faceted and multi-dimensional. Its image is highly complex and fluid, to the extent that it is difficult to see a country as a brand.



Famous sportspeople on the international scene can generate positive effects on the brands of their country of origin. Sete Gibernau celebrating one of his wins with Freixenet cava.

Various facets of a country's identity may be more or less relevant on the world stage depending on what is happening politically or economically at a given moment. Others may be bound by historical attributes and stereotypes. Still others may be influenced by the latest news on CNN, the Hollywood Oscars, or sporting events in the Champions League, the Davis Cup or the Formula 1 Championship. The projection of the Spanish directors, Almodóvar and Amenábar and actors such as Javier Bardem, Antonio Banderas and Penélope Cruz in the latest Oscars Ceremony, has made an impact on the facet of Spain as a creative, modern and artistic country.

Various authors and researchers have analysed the components and indicators that make up the identity of a country image ²¹. Among these components are historical, political, economic, technological and socio-cultural –



The 1992 Barcelona Olympics projected an image of Spain as a modern, dynamic and well-organised country to the world.

including sporting – factors that have a varying degree of significance depending on the characteristics of the country in question.

Now, the main concern of those in charge of institutional policy and external image is how the country brand is made up and how it is communicated to the international marketplace. In other words, the really important thing is how to create a country brand identity that is attractive, strong, coherent and beneficial, to serve as a springboard for the international launching of national companies and brands, and as a major promotional asset to attract investment and tourism. Well, using thoroughly-tested models from the world of corporate and commercial brand management, and in line with several of the models proposed by the Leading Brands of Spain Forum in its publications, we understand that the sources of the country brand identity are what we might call the “Honorary Ambassadors of the Spain Brand”. These are companies from the country, via their corporate brands and products; public institutions and all the other constituents of civil society, such as scientists, artists, singers, and so on. In this group, sportspeople, sporting associations and clubs, as well as sporting events held in the country can play a strategic role in the shaping of this country brand identity. For example, no one can deny that the 1992 Barcelona Olympics projected an image of Spain as a modern, dynamic and well-organised country to the world, with the resources and skills required to administer any type of activity.

Within these concepts, one source of country brand creation is civil society. Others are companies and their brands, and public institutions (the State, Autonomous Communities, and Trade Promotion Bodies – ICEX, Chambers of Commerce, and so on). In a world that has been globalised by communications, research, art, music, literature, the cinema and sport, people, as social assets, play a major role. For many years, the only reference from Spain that the United States had was Severiano Ballesteros (Seve to the Americans). Today, however, the sporting references are Gasoll, Sergio “The kid”, Rafa Nadal, Fernando Alonso or Dani Pedrosa, among others. Spanish names have taken up position in tennis, music, art, NASA, science and even in Hollywood. In France, it is Indurain, in Scandinavia, Carlos Sainz and in Latin America, Julio Iglesias and Alejandro Sanz. In the world of opera, there are the tenors, Plá-



cido Domingo and José Carreras, and the soprano, Montserrat Caballé. In tennis, the new armada of young Spanish players have placed Spain among the best in the world, with Moyá, Ferrero and Nadal at the head. In football, Spain

BLUE AND CLARET, INTERNATIONAL COLOURS

WINNERS OF THE LEAGUE IN 2005, ONE LOOK AT their trophy cabinet reveals that this is a champion club. Its fans like to say that it is more than a club, and it certainly is if we consider its projection as an international brand, its presence in a good many sporting activities or its fanbase, almost half of which, incidentally, is to be found outside Spain. Indeed, FC Barcelona is one of the most international of Spanish brands.

Winners of the classic European Cup Final at Wembley in 1992, it is currently the leading trophy-holder in Spain, having won the King's Cup 24 times and the League 17 times. In addition, it has won the Spanish Supercup four times.

Possibly, its founder, Hans Gamper, did not imagine in 1899 that Barcelona would become one of the

great teams in this sport—relatively unknown at that time—and one of the most garlanded in the world, as well as serving as the medium for a set of values linked to freedom and Catalan nationalism, which have been, and still are, shared by thousands of fans. Maradona, Koeman, Schuster, Saviola... All great foreign players who have increased the fame of the team.

The arrival of the Hungarian player, Kubala, ushered in a new era in the life of the club, particularly with regard to its home ground. The old Les Corts ground, known as Vell Camp (Old Ground), became too small, and September 1957 saw the grand opening of the Nou Camp (New Ground), the Club's present stadium, one of the biggest in Europe with room for almost 100,000 spectators.

SPORT AND THE VALUE OF BRANDS



Sports stars have become genuine transnational and multicultural icons, a reflection of an increasingly globalised culture and aesthetics.

has one of the best-known leagues in the world, with various Spanish teams in the leading European competitions. In other words, there are examples in her civil society that are particularly relevant, with a vast media impact and they, too, need to be involved in any country brand management programme and strategy.

It is true to say that, of all the references in civil society, it is the sports sector that generates the greatest media impact. As we noted earlier, performance sport, and particularly professional performance sport, has become a



Today, Barça can boast of being a team of stars, including the Cameroonian, Samuel Eto'o and the Brazil-

ian, Ronaldinho, two figures who are genuine vehicles for various commercial brands and who almost certainly provide the Club with added value.

Backing up the team's social, as well as cultural projection is the Club Museum, considered to be the best football museum in the world, which has been extended several times. It covers an area of 3,500 square metres and is visited by over 1.1 million people a year. A library and press archive complete the documentary resources of this football sanctuary.

With a presence in other sports, such as basketball, handball and roller hockey, Barça stands out as a club that is modern, bold, all-conquering and Catalanian, as may be seen on the "olla", its shield that displays the cross of St George and identifies it with the city of Barcelona. ®



Cola Cao presents itself as an "aspirational" product for "future riders" who want to be motorcycling stars.

global spectacle, under the auspices of major international events and the completely globalised media using new information technologies. In this global spectacle, the sports stars have become genuine transnational and multicultural icons, a reflection of an increasingly globalised culture and aesthetics.

These media assets are genuine marketable assets, generating value for the brands, their Clubs and associations, the economic sectors they are related to and also for the image of their cities and countries. Broadcasts of sporting events simultaneously show the clubs' or associations' organisational skills, how the fans get on with each other, security and ground control, all attributes that can easily be transferred to the image of the country where the event is being held.

This also goes for the cities; if they have a sports star in a local club, this can generate major benefits for tourism and the city's image in general. A significant example is to be found in the case of Valladolid Football Club in past seasons; the club had a Japanese player in the team and the city noticed a considerable increase in the number of Japanese tourists visiting the place.

As well as the economic value that they can produce, sports stars also generate symbolic and cultural values that can be transferred, based on the transfer of meanings theory mentioned earlier, to their countries of origin or the countries that represent them or that they have made their home. To a certain extent, if huge global icons from widely varying cultures, such as Beckham, Ronaldo, Zidane and Figo live in Spain, then one is almost certainly led to think that, apart from the economic motivation, that it must be a good life in that Mediterranean country. The projection of the Real Madrid and FC Barcelona brands in Asia and the tours by these teams can be a major asset for attracting more Asian tourists to Spain. These types of links should not be underestimated. For example the Asian company, Kunami and Playstation 2 are developing interesting products for the Asian market, taking Real Madrid as the theme.

So, let us try to create a model for this relationship between sporting celebrities and the country brand. Figure 1 shows an explanation of the links that may be created, either directly between the sporting celebrity and the country of origin, or else indirectly through the sponsoring brands or companies.

In other words, at an indirect level, the process occurs via the various corporate and commercial brands that act as sponsors, either in the sporting event itself or in other communication activities unrelated to the spectacle, such as, for example, Nutrexp using the endorsement of Dani Pedrosa in its Cola Cao advertisements. For example, in figure 2, Freixenet acts as a sponsoring brand in the event itself. Cola Cao, however, advertises with the endorsement

Figure 1. Effects of the image of sporting celebrities on the Country Brand identity

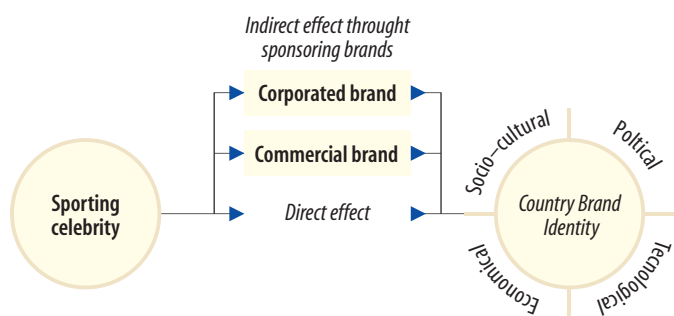
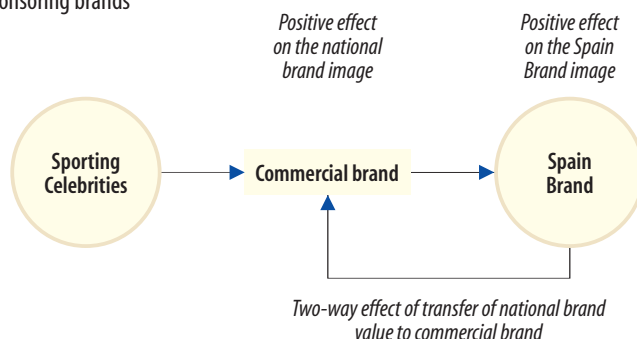


Figure 2. Indirect effect through national sponsoring brands



SPORT AND THE VALUE OF BRANDS

of the rider, but does not take part directly in his events. In both cases, the two sponsorships are congruent with the brand image and the sponsored sport (the sparkling wine is used to celebrate victories in these events and Cola Cao presents itself as an “aspirational” product for “future riders” —today’s children— who want to be motorcycling stars). Obviously, the impact ratio is stronger for Freixenet, Telefónica or Repsol, because of the media impact of the event, particularly when the podium ceremony is shown. Nevertheless, if the Cola Cao advertisement, aimed at parents and children, is also broadcast in other countries, the brand will also benefit from the assets generated by the sports personality and this will almost certainly, to a greater or lesser extent, have a repercussion on the brand’s positioning in its respective markets. In cases like these, the sports stars generate direct value for brands.

Sometimes we also see direct sponsorships centred more on the consumers attending the event than on the attributes linked to the event itself. In these cases, we still have sponsorships that are functionally congruent, although to a lesser extent than those analysed above. For example, the sponsorship by Chupa Chups of the rider, Emilio Alzamora, would be midway between sponsorship based on functional congruence and that based on image congruence.

However, as we noted earlier, commercial and corporate brands are also genuine ambassadors for the country brand. The globalisation of trade means that companies and products, with their global or local brands, ply their trade internationally and can be found in a good many countries. The vast majority of consumers are constantly buying foreign products from countries they have never been to, but which they know and perceive from pictures, comments, news, stories and so on. Using this experience with these brands and companies, consumers shape a whole world of meanings related to their country of origin. In this universe, companies and brands belong to their countries, and the countries are manufacturers of brands and products. Thus, companies and brands are now emerging as genuine ambassadors for their countries. The strength of a country’s brands and products abroad creates a much more positive country image. Therefore, by generating value for national brands, sport and its stars are also indirectly generating value for the brand of their country of origin.

One example of the direct effect on the creation of country image is the Davis Cup (figure 3), although this could pertain to golf, sailing, show-jumping, Formula 1, and many other sports. International positioning in sports linked to a certain economic and social development directly generates an impact on the projected image of the country to the various international forums of opinion. The Davis Cup is an event with one of the world’s highest television audiences, particularly in the United States, even more so considering that the 2004 final was between Spain and the United States. The event, the organisation, the national team, the support of the Royal Family, the atmosphere in the stands... all were observed as being related to the country they represented. It is true to say that this was a highly positive event which could only project favourable and positive perceptions for Spain’s image.

As well as the direct effects on the Spain Brand, all this media impact can generate positive synergies in countless business sectors, which on occasions may seem completely separate at first sight. For example, in the same way as Adolfo Domínguez has designed the Iberia uniform, sporting celebrities, associations and/or clubs are clothed by famous designers. For example, the Catalan designer, Antonio Miró, agreed to design the uniform to be worn by Athletic de Bilbao over the next three years²². As far as the creation of coun-



Sometimes we also see direct sponsorships centred more on the consumers attending the event than on the attributes linked to the event itself. The motorcyclist Emilio Alzamora wearing a helmet with the Chupa Chups logo.

Figure 3. Direct effect via sportspeople and their achievements



The canoist, David Cal, after winning his gold medal at the 2004 Athens Olympics.

try image is concerned, this type of relationship between sporting brand, designer's brand and country brand, could be a very important one. The fact that the uniform of the Spanish tennis squad has been designed by a Spaniard highlights the Spanish designer's brand in a highly relevant sector of the market (the spectators and consumers of this sport tend to belong to mid-upper and upper segments of the market) and in the final instance, the image of Spain as a design and fashion country.

¹ Agudo, A. and Toyos, F. (2003), *Marketing del Fútbol*, Pirámide & Esic pub., Madrid.

² Vázquez Montalbán, M. (1996), *Prólogo de El vandalismo en el fútbol. Una reflexión sobre la violencia en la sociedad moderna*, Gumnos, Madrid.

³ Vidal-Beneyto, J. (2002), "Fútbol y Mundialización", *El País*, 8th June 2002.

⁴ Jodorowsky (2002), *Professional Football*, December.

⁵ "The Football Business" seminar, organised by the sports daily, *Marca*, in March 2003.

⁶ Mullin, B.J., Hardy, S. and Sutton, W.A. (1995), *Sport Marketing*, Human Kinetics Publishers.

⁷ "Learn more about sponsorship" (2001), International Event Group Web Site, available at: www.sponsorship.com.

⁸ Gwinner, K.P. and Eaton, J. (1999), "Building

Brand Image Through Event Sponsorship: The Role of Image Transfer", *Journal of Advertising*, winter, vol. 28, n° 4, pp. 47-57.

⁹ Keller, K.L. (1998), *Strategic Brand Management*, Prentice Hall, Upper Saddle River, New Jersey.

¹⁰ With regard to some Fútbol Club Barcelona players in their advertisements for Danone.

¹¹ Farrell, K.A., Karels, G.V., Monfort, K.W. and McClatchey, C.A. (2000), "Celebrity performance and endorsement value: The case of Tiger Woods", *Managerial Finance*, Vol. 26, n° 7, pp. 1-15.

¹² "Fernando Alonso Arrasa También en la Televisión", *20 minutos*, Sunday, 24th April 2005.

¹³ Kahle, L. R. and Homer, P.M. (1985), "Physical and Attractiveness of the Celebrity Endorser:

Conclusions

From the above, and from empirical evidence published to date, it seems fair to claim the existence and generation of positive effects via the formalisation of trade and media links between sporting bodies and/or stars and commercial and corporate brands, either through sponsorship programmes, brand alliances, merchandising or any other commercial link that clearly illustrates the link between the sports personality and the club. If we look on the country of origin or “country brand as a strategic asset that frequently acts as one more attribute when selecting products or services competing on the international stage, and in many categories it acts as the principal attribute in the decision-making process (e.g. wines, watches, fashion, perfumes, and so on), we can then understand that the country of origin associated with clubs, sports associations, teams and/or top sporting personalities is also transmitted, either directly or indirectly, to the country of origin’s image.

In this respect, a country that has world-famous sporting assets also enjoys media and social resources that are capable of generating vast synergies and externalities on the economic and social stage for the companies and brands of that country as well as for the broader concept of the country brand.

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¹⁴ Misra, S. and Beatty, S.E. (1990), “Celebrity Spokesperson and Brand Congruence: An Assessment of Recall and Affect”, *Journal of Business Research*, vol. 21, n° 2, pp. 159-173.

¹⁵ McDonald, C. (1991), “Sponsorship and the Image of the Sponsor”, *European Journal of Marketing*, vol. 25, n° 11, pp. 31-38.

¹⁶ See Gwinner, K.P. (1997), “A Model of Image Creation and Image Transfer in Event Sponsorship”, *International Marketing Review*, vol. 14, n° 3, pp. 145-158.

¹⁷ Ohanian, R. (1991), “The impact of celebrity spokespersons’ perceived image on consumers’ intention to purchase”, *Journal of Advertising Research*, vol. 31, n° 1, February-March, pp. 46-54.

¹⁸ Agrawal, J y Kamakura, W.A. (1995), “The Economic Worth of Celebrity Endorsers: An Event Study Analysis”, *Journal of Marketing*, July, vol. 59, n° 3, pp. 56-62.

¹⁹ Farrell, K.A., Karels, G.V., Monfort, K.W. and McClatchey, C.A. (2000), “Celebrity performance and endorsement value: The case of Tiger Woods”, *Managerial Finance*, vol. 26, n° 7, pp. 1-15.

²⁰ See Chao, P., Wuhler, G. and Werani, T. (2001), “The moderating effects of Celebrity, foreign brand name, and country-of-origin on product evaluation in Austria”, American Marketing Association, Conference Proceedings, 2001.

²¹ See Cerviño, J. (2003), *Marcas Internacionales: Cómo crearlas y gestionarlas*, Pirámide, Madrid.

²² *Diario As*, 29th November 2002.



MODA, THE SPANISH WORD FOR “FASHION” COMES FROM THE LATIN “modus” meaning “way”, with all its baggage of the union of disparate elements, equilibrium, harmony in the field of logic, mathematics, aesthetics and customs. The Spanish Royal Academy defines it as: “A custom which is in vogue for a time, or in a particular country, particularly to do with clothes, fabrics and adornments”. And it adds an important nuance which gives an idea of what it involves: “Fashion is a custom initiated by a prestigious and important minority, which comes to society and is accepted by it”.

I could go on with endless digressions about this mass phenomenon, either learned or popular, from times gone by or from what today is seen as something to do with “what’s happening”, not only with clothes but also, much more broadly, with everything that takes in our life style today.

Today, at the beginning of the 21st century, fashion and design, without ignoring their cultural and social aspects, are the impulse for an industrial, commercial

and business sector that generates a turnover of millions of dollars, euros, yen or yuan, the Chinese currency that, as we approach 2005, is making itself heard; they are creating a good deal of employment, and country image, while they meet a basic human need, to be clothed.

Bernard Arnault, chairman of the French multinational LVMH, Louis Vuiton

Moet Hennesy, came up with an accurate definition of this phenomenon: “Fashion is creativity whose aim is to acquire the greatest possible number of customers”.

Rodrigo Rato, who was the Spanish Minister for Economic Affairs for several years, stated during a press conference in which he was talking about the importance of the sector, that “fashion has been taking shape as a global phenomenon, with economic, social and cultural repercussions that give it remarkable importance on the international scene”.

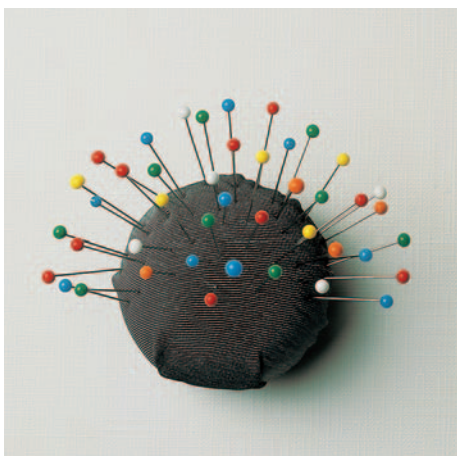
Renzo Rosso, chairman of Diesel, has said that fashion is “inspiration, creativity and intuition”, and he goes on, “one cannot lose sight of the fact that fashion, alongside the novelty aspect and the trends that to a large extent reflect the sociological currents of the world in which they appear, needs, in order to be successful, or at least, survive, a business organisation, a distribution strategy and avant-garde logistics, and good marketing management”.

Domenico de Sole, another of the impresarios who, together with designers of the category of Tom Ford, has managed another fashion empire, states that the key elements of success in this sector are: “Creativity, quality and discipline”. There is nothing new here. Both creativity and quality, taken to the extreme of luxury, have been, with all their variants over the years, the basis for fashion up to the end of the 20th century.

Furthermore, ever since man discovered clothes as a protection against the inclemencies of the weather, he has taken into account the aesthetic aspect of them. In this respect, it is not far-fetched to talk about a 4,000-year history of fashion. And this is the title of an encyclopaedia written by three academics of Czech origin: Ludmila Kybalova, Olga Herbenova and Milena Lamarova. These women devoted a good many years to researching this phenomenon of human clothing.

In their book we see a parade of 40 centuries of men’s and women’s clothing, from the pharaohs of Upper Egypt to today, taking in Babylon and Nineveh,

Fashion, design and brand



FASHION, DESIGN AND BRAND

Athens and Rome, Byzantium, the middle ages, the crusades, Imperial Spain, Britain and the puritanism of her Empire, the Reformation, the French Golden Age, the yuppies at the end of the second millennium, or heavy metal fans who gave way, a few years ago, in the United States, to grunge. As a reaction to the rags that became fashionable with that style, there came a touch of classic style with outfits of the type worn by Jackie Kennedy or Audrey Hepburn, who in their time were icons of elegance and were back in the public eye when they died. As *Time* magazine said about this onset of the classic style: “No one could ever have imagined that funerals would give rise to a fashion trend”. A little later, we were immersed in an eternal circle of 60s and 70s revivals, back to the 60s, the 80s, Pop Art and the Courrège style.

The evolution of society has also been marked by the footprint of fashion. One way or another, the outfits that are worn are influenced by the events of each era: it was not only the nobles’ heads that fell under the guillotine of the French Revolution, but also the wigs that adorned them. From then on, they were banned as being a symbol of a time that was deleted from history.



Creativity and quality have been the basis for fashion up to the end of the 20th century.

>the history of any
brand is based on a
relationship of trust

Only two centuries later, in the second half of the 20th century, we witnessed the appearance of another garment that went the other way: denim, which has established itself among the young and not so young from all walks of life, was originally used for working clothes, being resistant, hard-wearing and reasonably priced, and soon became a symbol of an attitude to life.

Today, a pair of jeans is almost a must in one's wardrobe. Between 27 and 28 million pairs of jeans are sold a year in Spain, which means, if we leave out those who are either too old or too young to wear denim, 1.7 pairs of jeans each. There are over 100 jeans companies producing some one thousand brands.

What underlies this fashion of imitation and uniformity is compensated, in an entire generation, by the strength of adhesion to an ideology, when this trend started, and later, a way of life that was more natural, comfortable, and free of complications. Yves Saint Laurent, one of the leading lights of 20th century fashion, once said to me in an interview that his biggest regret was that he was not the one who invented jeans.

All this is following a line that leads us to one conclusion: the clothes we wear have a meaning; they reveal an interior attitude and an attitude towards life.

As well as these historical and sociological aspects of fashion, lately a notion has been established, the brand concept, which prevails today not only in the world of design, but also in the field of clothing, and almost certainly in fashion.

THE LUXURY OF WALKING

MARKET RESEARCH SHOWS that consumers in developed countries are always looking for a luxury experience based on the routine, functionality and rationalism in design. Ostentation takes a back seat with respect to the individual experience of a carefully-designed original product.



Within this tendency of functional luxury, certain Spanish footwear brands have managed to show the way to consumers the world over. The versatility of the concept has caused various companies to adopt it with **Panama Jack** and Camper, two Spanish brands that have managed to transmit quality Mediterranean footwear to the world married to brand new designs and concepts on occasions inspired by tradition.

Panama Jack was introduced to the market with the slogan, "Made for walking", and since then has managed to combine its brand with the spirit of adventure and contact with nature that walkers look for today: boots with up to the minute technology and clean lines that perfectly match what the consumer is looking for in functional luxury. The idea has proved effective and Panama Jack

exports over 60% of its production to countries such as the United States, Germany, the United Kingdom and Japan. In addition, the brand has associated its projects which, initiated by Spain, have achieved fame and international recognition: Ruta Quetzal and research at the Atapuerca site declared, respectively, of Universal Interest and a Mankind's Heritage site by UNESCO.

For its part, Camper has managed to appeal to the international urban consumer with an innovative design based, in many cases, on traditional footwear, and which has won over those who are willing to experience fashion in its modernity, quality and comfort guises. Coming across a Japanese tourist in New York wearing Majorican espadrilles is, thanks to Camper, a normal occurrence. ®



Between 27 and 28 million pairs of jeans are sold a year in Spain. In the photo, Cimarrón jeans, manufactured by Sáez Merino.

Michel Chevalier, a lecturer at Essec in Paris, has carried out an in-depth study of what is going on today with brands in his book, *Pro-Logo*. This expert, who has taught master classes on this topic at the Higher Institute of Business and Fashion in Madrid, explains that the two elements that typify the presence of brands today are the attempt to obtain a good reputation via the image that is transmitted, and thus a certain commitment with the consumer in the pursuit of this good reputation.

Although brands, like fashion, have existed since ancient times, it was the Industrial Revolution, with its mass production, and later, the communication era, that gave rise to the current scene, in which brands are involved in a singular type of commercial relationship.

In principle, what the consumer expects from a particular brand is a guarantee of specific quality which has been promised to him through advertising, which is worth more than the competition's. The history of any brand is sustained by this relationship of trust which for the most part is caused by emotional ties.

The *de luxe* fashion sector burst on to the broad “brandism” scene with the appearance of Italian brands on the European market. These were the years when the stage was taken by names such as Armani, Ferré, Moschino, Trussardi and Versace, designers who were highly successful with their collections and which quickly became international brands. At the same time, older brands such as Gucci, Ferragamo and Fendi were experiencing spectacular growth and set out to conquer international markets such as the United States and Japan.

With fashion during this time there were cases of small brands with the added value of innovation and originality. This gave them the support of magazines and the specialist media, and they unexpectedly overtook the better-known brands.

Fashion pre-empted the euro and globalisation and broke down borders.

The big news of the 1990s was the signing up of two Britons by two of the big names in French couture: John Galliano replaced Ferré at Dior, and Alexander McQueen at Givenchy, two of the top French firms who left the artistic direction of their designs in the hands of British creators.

A little later, it was two Americans who were to alter the course of European fashion by working for two other historic brands: Tom Ford, a Texan, took over as artistic director of Gucci, a fashion house that was on the verge of disappearing and for which he was a radical shot in the arm. The resulting success and financial figures were such that this American ended up succeeding St Laurent, and he has recently presented his latest collection for this firm. The other American, Marc Jacobs, went to Luis Vuitton and, at the moment, the star designer for Hermés in its latest show has been Jean Paul Gaultier, an unexpected success by this avant-garde designer for the impeccable classic style of this signature firm.

This reveals the fact that the evolution of the market was forcing traditional French brands, such as Chanel, Dior, Hermés or Vuitton, to adopt new strategies to maintain their leadership in an increasingly competitive market. They did so by introducing into their design teams a series of clever creators, regardless of their nationality. With their show-biz style presentations they gradually acquired a brand image which diversified into accessories, leather goods or cosmetics. This was the overlying trend of the closing stages of the 20th century.

In fact, it was 1993 that saw the setting up of large multi-brand groups. Fashion became globalised at all levels and we saw the consolidation of names such as Armani, Prada, Calvin Klein, Ralph Lauren, alongside brands from other sectors, such as the sportswear firms, Nike and Reebok.

Going back a little, in the interests of historical accuracy, I would like to mention Coco Chanel, a creator who left her mark on the evolution of fashion, precisely because she had a clever intuition at the right time: in the 20th century, genuine elegance could only be achieved through simplicity and freedom of movement. Up to that time, fashion had left women in corsets and style was highly complex. She launched her own style: loose skirts, comfortable blouses, two-piece suits that became known round the world as the Chanel style: a new form of dress based on simplicity, harmony and an absence of frills.



The *de luxe* fashion sector burst on to the broad “brandism” scene

>coco chanel: <fashion must make you smile, not cry. it must be rational. fashion must be witty, not stupid>.

FASHION, DESIGN AND BRAND

The secret of her success lay in the fact that, when designing her models, she thought of the normal woman. She herself was her best model, and her greatest goal was to highlight her beauty. Many experts say that Chanel was the most influential designer of the 20th century because she had a clear idea of woman and her femininity which she never betrayed.

In defiance of something that had nothing to do with fashion, she had said, shortly before her death: "Fashion must make you smile, not cry. It must be rational. Fashion must be witty, not stupid".

Chanel is also a paradigmatic name because she had a democratic, revolutionary idea of fashion in her time: she used to say that if a fashion did not spread to the majority, it was a failure. She was, to a certain extent, a forerunner of *prêt à porter* and diversification, with a range of accessories, costume jewellery and high class cosmetic products.

Another great personality of 20th century fashion, who should be mentioned for his category and influence, was the Spaniard, Cristóbal Balenciaga, who was born in Guetaria and died in Valencia in 1972. In 1937 he opened his Haute Couture premises in Paris, and closed it in 1968, thereby rounding off this century that represented the peak of elegance. His outfits bore the unmistakable stamp of a severe elegance and an incomparable classicism.

He was the designer who practised architecture with fabrics. As he himself explained, "a couturier must be an architect for design, a sculptor for shape, a painter for colour, a musician for harmony and a philosopher for temperance". Thus, this mythical name, an example to follow for anyone who wants to learn the secrets of Haute Couture, has been acquired by Doménico de Sole, an

In Spain, there is a series of companies that the international media in this sector call "the New Spanish Armada". Below, a jacket by Adolfo Domínguez.



impresario who handles large international groups. He has leading the design team a Belgian, Nicolas Guesquière, who has turned the “grandee of Spanish fashion” into a diversified brand like most of the others competing in the international market. In fact, New York was the venue for his latest show.

Spain and “the New Armada”

The great leap from the 20th to the 21st century can be summed up as the attempt to marry creative talent with business management; in other words, to focus artistic creativity as the channel in which an artist expresses himself using talent, intuition, imagination, inspiration and hard work.

Today, when talking about fashion and creativity, we must define not only the process whereby new ideas, trends, lines and colours shown in trade fairs and on the catwalk are generated, but also the business channels that transform all this creativity into an economic value.

Unless it makes money, creativity in fashion is a simple attitude midway between idealistic and naive, although it is true that innovation, and the creativity that accompanies it each season, has to grow in a suitable milieu and with a favourable environment that does not always translate into financial pressure.

The duty of the manager of a creative company is crucial in this respect: it involves connecting talent, aesthetic values and creativity to the commercial objectives of the market. The cultural aspect needs to be married to business strategy so as to turn art into industry.

This calls for clear-cut organisation

which a good manager needs to define precisely: who is responsible for becoming involved in the creative process, and what his duties are, being in close contact with the designer and his team with a constant eye on the diary so as to reach the market on time with a product in this highly competitive world. This is the famous “just-in-time” system that has positioned Spanish brands such as Zara or Mango at the forefront of international fashion, thanks, to a large extent, to their setting the rhythm and responsibility of everyone who sees that this product reaches the market.

When talking of the presence of brands in current society, the first thing that comes to mind is not so much the quality of the products as the intensity of the messages we are provided with.

In Spain, there is a series of companies that the international media in this sector call “the New Spanish Armada”. The expression was coined by a businessman to express the position occupied by Spanish fashion in the world through brands such as

THE TRANSITION TO DEMOCRACY AND FASHION

AFTER 1975 SPAIN WENT FROM being a country with strict habits and costumes to one that was renowned for its personal freedom and disinhibition in just a few years. And fashion was not left behind in this modernisation process.

Today the global protagonism of certain Spanish brands in this sector is worthy of note. **Zara** has put **Inditex** among the leaders, with Gap from the USA and H&M from Sweden, displacing Benetton along the way. Fashion at reasonable prices is its secret.

But this style which is up to date, elegant, simple and highly practical, traditional and yet care-free, and somewhat Mediterranean has meant that other Spanish design and clothing brands are right up there with them. These includes **Adolfo Domínguez**, which came to be known by its “the wrinkle is beau-

tiful” slogan; **Mango**, which clothes active women who combine business and pleasure in over 70 countries; **Armand Basi**, with a design of marked individuality; **Springfield**, for urban, dynamic men; **Lois**, one of the big four world jeans brands along with Levi’s, Wrangler and Lee; an finally **Cimarrón**, which revolutionised the world of ladies’ jeans, with its denim fabric used as an instrument of female seduction. Then there is **Panama Jack**, which shoes half the world; Olimpo, the leather goods specialist; and to put the finishing touches to the outfit, **Carrera y Carrera** makes jewels brimming with passion, energy and joie de vivre, very Spanish attributes, worn in 60 countries.

All of these have made the “Spanish Brand” in fashion and clothing one of the foremost references in many countries in the five continents. ®



Inditex has become one of the world's leading clothes retailers.

Zara or Mango, the Cortefiel Group, such as Springfield, or Pronovias in a more specialised sector. And we should not forget what the Domínguez brothers, Adolfo with his own brand and Javier with the clothing firm Lonia, with the CH —Carolina Herrera— and Purificación García brands, are doing with a commercial philosophy in Spain, firstly, and with their eyes on Europe and South America.

With these brands and companies of international prestige and presence, Spain's designers have yet to break through borders. In recent years, it has been Custo Barcelona who has created most brand image in the United States with designs that are original, new and attractive, together with years of hard work to conquer the American market. And he has done just that. Another example is Ágatha Ruiz de la Prada, a woman with great creative talent, whose designs are dominated by colour and imagination, and a highly defined commercial line that is expanding worldwide.

Few Spanish designers have followed the same path. There are the odd exceptions, such as Jesús del Pozo, who has found a market in Japan for his designs and other products with his brand, just like Roberto Verino, who in the latest Cibeles Fashion Show announced his retirement from the catwalk to initiate a project involving the large-scale production and distribution of his brand. However, it is worth learning a bit more about one of Spain's biggest companies, Inditex, the creator of brands such as Zara, Massimo Dutti, Pull and Bear, Bershka and Stradivarius, which have turned it into one of the world's leading clothes retailers, in competition with the big boys in the sector such as Sweden's H&M, North America's Gap and Italy's Benetton.

The fame acquired by the Inditex brands, particularly its leading brand, Zara, is in marked contrast to its low investment in advertising and communication, limited to the creation of catalogues for each season's collections.

It is the flexibility to adapt products to customers' tastes, thanks to a sophisticated system of information, that reveals at any given time where

> accessible fashion
at a reasonable
price. a business
model studied the
world over



Mango is an example of how the success of fashion companies lies in their formula for linking creativity with the industrial and business mechanism.

the trends of customers in any country where the group has a presence are directed. Professionals in this sector agree that the reason that this company is successful lies in its use of a flexible manufacturing method that enables the whole process of design, production and distribution of a model to be carried out in just two weeks.

As an added value to all this, the brand has branched out into accessories, cosmetics, and now the inauguration of Zara Home. Another of the major market trends is to start stocking soft furnishings and linen.

This situation, also to be found in the case of Mango, another highly successful Spanish company, has led to these cases being studied in the top business schools in the world, and draws us to this conclusion: the key element for success in fashion companies lies in their formula for linking creativity with the industrial and business mechanism.

To achieve this, the creator must know the market and adapt to this reality. All extremes must be avoided in order to achieve the purpose of clothing the man or the woman. We shall ignore the fact that on the catwalks, designers put on a show to make the magazine covers. But it must be made quite clear that fashion is not made for a museum but for a commercial purpose.

The businessman also needs to take risks, to avoid being left behind in this aspect of the business, because fashion needs an added value. He has to be aware of the demand for innovation: what is fashionable today is old hat tomorrow.

However, in spite of all this, one may conclude that there is not the closest relationship between the efforts of certain Spanish brands and the Spain Brand as such. While France or Italy immediately suggest the word fashion in the mind of a consumer, this does not happen with Spain.

The Inditex Group, Mango or Camper, for example, are brands with a globalised aspect; in other words, there is nothing to suggest that they are Spanish although it is true that they are opening a breach, and once the initial surprise that they are Spanish has been overcome, they are capable of transmitting to the world that the Spain Brand can play a major role in this sector. But let us not fool ourselves, there is a long way to go yet, and whether a defined image is consolidated in the sector depends on the focus that is given to the issue by the relevant Spanish bodies.

At present, it is interesting to note the business model of certain Spanish brands, whose prime example is Zara, for identifying good quality accessible fashion at reasonable prices. This line, which takes in Mango and Cortefiel as well, could open up one segment of the market, while luxury fashion, haute couture or design are still identified with France and Italy for the moment. Marketing and distribution are still the big challenge for many top Spanish designers who have yet to make an impact on the international market. Nothing is impossible, but one has to be realistic about these problems in order to carve out this niche that is so difficult to attain, the summit in the world of fashion.

The fashion manager in the administration of creativity

This relationship between creativity and industry is not new, and not impossible, although it is not easy to get over the idea that creative people are crazy by definition and that impresarios are spoilsports. There definitely needs to be an affinity of ideas and objectives between them. There are some very good examples of this: many of the top international firms have been highly successful thanks to this perfect entente between the creative mind and the businessman, based on family ties, friendship or business links.



Indeed, the most prestigious brands of the second half of the 20th century and the beginning of the 21st century have been consolidated thanks to this fusion of creative and business talent: Armani and Sergio Galeotti; Yves St. Laurent and Pierre Bergé; Valentino and Giancarlo Giammetti; Ottavio and Rosita Missoni; Gianni and Santo Versace; Tom Ford and Doménico de Sole.

The secret of success for a manager in his company is to develop creative attitudes, if he does not already have them, or to attempt to assimilate the philosophy of his creative team. This does not mean that he has to give up his role of supporting, rationalising, directing, financing and administering a production process which is based on one essential component: the fact that it is something creative. What are intended to be placed on the market are not standard parts of a complex mechanism, but something connected with the broad field of clothing.

In the 21st century, both the luxury and mass market fashion firms require a new business mentality aimed at the world of fashion. This will be all the more necessary as the fashion firms become big companies with a diversification of products. In order to ensure the success of a fashion business, these two aspects need to be placed at the same level. The current scene throws up new challenges: the sophistication of the consumers, market segmentation, the importance of getting the right target market, competition and the mushrooming of brands all make it difficult to find good professionals capable of administering creativity without distorting it.

Springfield, in the Cortefiel Group, also follows this idea of good quality accessible fashion at reasonable prices.

A Carrera y Carrera outlet in Russia.
Below, Pulligan image.



The firms, and those who administer them, have to know how to introduce new ideas without losing sight of the essential values of their brand.

The factors to be taken into account in fashion today are, as well as the basic idea that it is all about creativity, the production process, logistics, distribution, merchandising and communication, which as well as giving information has to persuade the consumer.

Today, a firm is much more than a logo for a fashion brand. It has to evoke values, an atmosphere, a style of life that cannot be forgotten. There is a whole list of intangibles that draw consumers and ensure their loyalty. Everyone involved in this sector needs to be aware of this reality.

The structure of the fashion system in 2004

Today's fashion system is the coming together of a set of industries and companies, in perfect coordination with each other. Clearly, a fashion item is much more than the creative efforts of the designer. It encompasses the merging of the raw material, carefully selected, treated with special technology

INNER ELEGANCE

IN A WORLD THAT ARE BECOMING INCREASINGLY LESS STUFFY and of increasingly natural attitudes, the idea that fashion is limited to the outer layer, which is more visible than what we use to cover our body, is to say the least, old-fashioned.

It is evident that if we do not look after our skin, with the help of creams prepared by **Natura Bissé**, —a company that specialises in facial and body cosmetic treatments, looking after health and beauty in Spain, the rest of Europe, and recently, Central and South America and South-East Asia— we would not have an elegant body

Without groups such as the Spanish **Puig Beauty & Fashion**, Whose perfume and cosmetics products provide sensations of sensuality, joy, nostalgia, and tenderness, it would be hard to keep up with modern beauty trends. Showering with Kinesia or Heno de Pravia gels, washing ones hands with Maja soaps, freshening up with Mirurgia or Azur de Puig cologne, or applying Agua Brava after-shave are all highly relevant in this society of dynamic pleasure-givers and pleasure-seekers.

But we also want to feel up to date inside. **Punto**



Today, a firm is much more than a logo for a fashion brand. It has to evoke values, an atmosphere, a style of life that cannot be forgotten. There is a whole list of intangibles that draw consumers and ensure their loyalty. Left, an example of the Women'Secret range.

until the fabrics, shapes and colours which the creative minds have prepared in their *Bureau du Style* are obtained.

Once this item has been designed – be it a dress, two-piece, overcoat or accessories – there then comes the major task of production, distribution, merchandising, advertising, to create a brand image via the specialist media. This is a business task, involving highly complex marketing to which the international organisation of the major fashion shows must be added – not only those exhibiting clothes, such as *Première Vision*, but also those that present a vast number of fashion-related products: accessories, leatherwork, jewellery and footwear in the various fashion capitals: Paris, Milan, New York, London, Madrid and Barcelona. And all this is driven by PR agencies, design and advertising studios and specialist magazines.

The attitude of the consumer is another major aspect to be taken into account, because the personal need to be dressed includes human and social issues, ranging from looking attractive to others, to preserving decency or protecting oneself from the inclemencies of the weather when meteorological whims surprise us with their sudden, unsuspected changes. The fact cannot be ignored that a

Below, boxer shorts by Punto Blanco.



Blanco, a quality Spanish underwear brand, and a market leader in hosiery, exports to 30 countries.

Women'Secret, the leading lingerie brand, fascinating and suggestive, also markets maternity and nursing fashion, as well as clothes specially designed for staying at home or travelling.

Then there were brands such as **Mirto**, with shirts and blouses that marry notions of design, quality and elegance, by transforming a simple piece of fabric into a genuine work of art, topped off by exclusive ties.

And to complete the wardrobe, a “**Pulligan**”, the market leader in knitwear for all occasions, which by merging the two English concepts and words “PULLover” and “CardIGAN” has become a generic term. This brand was one of the pioneers in internationalisation, having been sold outside Spain since 1995.

So it is plain to see that the “Spain Brand” has been reinforced by top brands that are owned by all the other Spanish brands that are among the “big boys” in the global fashion and accessories market. 🇪🇸



The fashion sector is an incomparable illustration of Spain's economic progress. Above, a design by Armand Basi.

sector with important personal implications has given rise to an economic setup of vast proportions.

In Spain, the fashion sector is a good example of the dynamism of her business sector, an incomparable illustration of Spain's economic progress, backed up by over 7,000 companies that have created over 430,000 jobs, moving over 23,000 million euros, and exporting over 38% of its production. This sector's contribution to the GDP is 6,000 million euros, 5% of the total.

The turnover in the entire sector, not just clothing, is as much as 1,800 million euros, that is to say 7% of the GDP. This vast industry employs 700,000 people, including distribution. It is the third source of income in the trade balance.

I cannot conclude these thoughts on fashion, the brand and design without a comment on what has influenced this process of change in women in their professional, family and social environments.

Donna Karan wrote in her on-line news letter *Woman to Woman*: "As far as I am concerned, the future of fashion is reduced to one's own style, not the dictates of a designer. My role consists of offering a woman the freedom and the basic tools to make her own personal mixture, based on a series of simple, timeless items of good quality, with the flexibility to be worn from morning to night. This is how I see fashion today: it is an individual style statement".

An economist, also North American, Carl Steidtmann, wrote in the *Wall Street Journal* that the change being witnessed in fashion marked the end of an era. His reason was very similar: “Women today want to dress comfortably, practically, attractively and economically”.

That was during the golden age of Gap, Banana Republic, Old Navy. A perfect combination of classic clothing, good value for money and a modern image. These highly successful brands offered the market something that millions of men and women were waiting for.

In the 1990s the Gap Group was number two in the world market, second only to Levi's.

In December 1997, the editor of *Women's Wear Daily*, Patrick McCarthy, said: “For many years, we have defined fashion as being what the designers presented. The great turnaround began a few years ago and gradually fashion has become what the market presents in the major retail chains. Classical clothes, young, easy to wear, with changes in colour rather than design, and which, based on attractive advertising campaigns, have got the in-crowd to show off their Gap clothing. A whole generation began to consider it smart to dress casually and not spend astronomical amounts on clothes. Other interests had come into play following the awful 80s dominated by ostentation.”

In addition —I am now talking of woman as consumer— personality is today more important than imitation. “No more fashion victims!” is the repeated cry.

We are witnessing the gradual dissolution of the seasonal trend. We are in the age of the increase in the number of norms of appearance and the juxtaposition of extreme styles. This why long and short styles can live side by side, the classic and the over-the-top look, the modest and the most refined luxury.

And now, in this new century, we increasingly see that there is room for all styles. There is no longer fashion —it is now background music— but endless fashion ideas that every individual is expected to take on board with good humour, a certain rebellious spirit and a healthy lack of concern for what is before us. Of course, it must be taken into account, but one basic condition: that each one of us dresses with his or her particular stamp. The time has come for individual creativity, or at least giving more free rein to our personality, thereby attaining, with the various suggestions for each season, a fashion *à la carte*. After several years dancing to fashion's tune, it is now time for “ways of life”. It is not a style that is being imposed but a way of life, as Ralph Lauren says with his “lifestyle”.

The woman of 2004, one might claim as a response to this idea, is enterprising, responsible and independent. She is displaying her intellectual, personal and professional skills in all fields. This woman confronts new trends with one idea as background music: if there are infinite ways of living, there are also infinite ways of dressing. This is not a call to anarchy but a stimulus to develop, with fashion, a more imaginative attitude in which the aesthetic sense, personality and elegance go hand in hand. But never forgetting quality!

> a firm is much more
than a logo. it has to evoke
values.



A dress by Pronovias.

Carlos Bustos



IT HAS TAKEN SPAIN FOUR HUNDRED YEARS TO RECONCILE TRADITION AND culture with technology. Now it is only a question of explaining this to the world. From El Cid to Lazarillo de Tormes, the interesting, meticulous literature of Spain has clearly reflected the good and bad aspects of Spanish society and its evolution, but the most widely-known character, and the one who best reflected certain Spanish aspects via a book, was undeniably Don Quixote.

The fourth centenary of the publication of *Don Quijote de la Mancha* coincides with the end of a cycle in the History of Spain. Something so modern back then as the windmills that were to be found in powerful Castile were already the irreconcilable enemy of a noble Spanish knight who represented tradition.

The most famous Spanish literary figure of all times and representative of the old has finally managed to adapt to modern times, see reason and conquer the ghosts of his past. Today, wind technology speaks Spanish through Spanish companies such as Gamesa¹, which has seen to it that windmills are no longer the enemy but travelling companions.

This Basque company, although unknown to the general public, is a world leader in the renewable energy market, thanks to its wind turbines. Its main shareholders are BBVA, which provides it with financial muscle; Iberdrola, playing one of its cards in the diversification of its main business activity; and a Spanish company belonging to a well-known industrial family that swapped cement, the symbol of the old economy, for renewable energy as a symbol of the new style of business of the 21st century.

This example shows how much things have changed in Spain. At last, a Spanish company can join the team combining the three driving forces of the industrial revolution, innovative genius, capital and management and leadership skills to expand internationally. Spain is now an example to follow in wind energy, being second in the world as far as installed power is concerned and one of the countries that produces most clean energy. What is more, she leads the world in the promotion and exploitation of this energy thanks to Iberdrola² and other national companies.

Gamesa and Iberdrola exemplify the technological integration of sustainable economy in Spain, the use of technology to improve the quality of life by preserving planet Earth and the ability to develop imaginative and innovative business models on a world scale.

Thus, techno-business³ is beginning to speak in Spanish to the extent that technology and the “Made in Spain” label are no longer so incompatible, as many people inside and outside Spain still think, people who have not managed to understand or assimilate the changes being brought about by technological progress in the world, particularly in modern cultures.

In a globalised market, in which international production capacity has taken off, and consequently the supply of products and commercial brands is saturating consumers’ information reception capacities, it is vital to support the brand. Because of this, it makes a lot of sense again for commercial brands of particular sectors to use their countries of origin as a generic reference, much more permanent than the product itself, to help them become known and extend their commercial life, particularly if the country in question reinforces the image of the sector, product or service in a positive manner.

It is not the intention of this chapter to present a list of Spanish companies, but to identify certain innovative technical and organisational characteristics mak-

Technology in brands



ing up technology, causing many of these companies to play leading roles in their respective sectors.

The word technology is used throughout this article in the context, on the one hand, of a broad view of its meaning—which will almost certainly surprise a good many people, because it was related etymologically with culture through art from the beginning of time to the industrial revolution—as I shall briefly explain later, and on the other hand, of the recent history of the world and of how the influence of certain cultures on others brought about its implementation.

At the beginning of time, and in all the advanced communities of antiquity, right up to the beginning of the Industrial Revolution, art and technique went hand in hand. Proof of this is the common origins of the two words: art is “a skill, especially one gained through practice” and technique “proficiency or skill in the practical or formal aspects of an art.”⁴ When technique is applied it turns science and art into technology⁵.

Thus, the practical application of the sciences and arts are united in a common objective, which is basically to improve mankind’s life quality and the well-being of people and communities.

The social models of production were in origin very similar the world over as there were no great technological differences between the various peoples inhabiting the known world in antiquity. With the exception of the Egyptian, Greek, Roman and Mayan civilisations who dominated and extended their areas of influence, introducing a distinctive model of society and culture, this was the general rule. They all succumbed like the Romans, as history should have taught them that well-being has a price if it is not shared with the neighbouring peoples. This is what happened with the Romans who drew in the barbarians to use



Iberdrola has recently dislodged Florida Light & Power from its world leadership in wind power development.



Since the arrival of democracy in Spain, a large number of Spanish companies are now examples to follow.

Indra is the sector leader in Spain for electoral recount systems.

as soldiers and labour and were finally overrun by them. This is a situation that has occurred again and again.

Following a period of technological obscurity, the Renaissance and its rediscovery of the ancient cultures opened the door to the beginning of the technological era.

The Industrial Revolution, strongly anglocentric, marked a dominant culture that imposed itself on the rest.

Spain, the culture to be overcome at the beginning of the Industrial Revolution, had been until just a few decades ago on the periphery of the technological era. Miguel de Unamuno's famous "let the others invent" and the lack of socio-economic interest in being up to date have characterised and slowed down Spain's modernisation and her integration with the rest of the world.

It has only been since the arrival of democracy in Spain that things have happened quickly there. Nevertheless, in 1950 with the economic opening-up of the Franco regime, industrialisation did improve in a good many sectors and the social foundations were laid so that with the arrival of democracy, Spain was able to open up to the outside world.

In these last thirty years, a large number of Spanish companies have caught up with their traditional competitors, others have overtaken them, and a few have even broken new ground and are now examples to follow in the rest of the world. Their internationalisation has been unstoppable, and today many of them are among international market leaders in their sector.

It is clear that the age of Spain counting for little in the economic world has come to an end. It is also clear that another stage is beginning in which Spain could have much to say and do if she is capable of seeing windmills, not giants, by combining Don Quixote's inventiveness with Sancho Panza's pragmatism and wisdom.

Technology and the Spain Brand

Whilst it is true that technological evolution has been late in coming to Spain, it is also true to say that this has meant clear competitive advantages over other countries around her. Spain had her own particular version of the Industrial Revolution, and in some cases, it has just arrived. For this reason, in the same way that


SPANISH INNOVATIONS

THERE HAVE BEEN MORE THAN A few, and they have naturally made their presence felt.

Leonardo Torres Quevedo was the best-known Spanish "engineer". His investigations took in a good many areas, ranging from airships to funicular railways or cable cars. But his most remarkable feat was that he was considered to be the pioneer of cybernetics, analog calculus and, therefore, computing. His analog machines, presented in 1893, solved highly complex mathematical equations. The most striking of

these, perhaps the first computer, was his "chess player", an automaton exhibited in Paris in 1914.

Just before that, Isaac Peral invented the submarine. The prototype was launched in the Bay of Cadiz in 1888. During the development process, the plans were often stolen and there were sabotage attempts by foreign powers. Hardly surprising...

In the early years of the 20th century, Juan de la Cierva stole a march on Focke and Sikorsky, the fathers of the helicopter, with his "autogiro" (a rotary-wing aircraft). 



The late arrival of technological evolution to Spain has given her clear competitive advantages. Applus+ is a world leader in vehicle certification.

her companies must adapt to local habits and customs abroad, and be really “glocal”⁶, at home they need to emulate genuine business models to be found in countries around her, where consumers are still not saturated with advertising

The Spain Brand did not exist as such until a relatively short time ago. It was associated with tradition, good times and backwardness, and for decades had nothing to do with the industrial and hence technological aspect. The “Spain is Different” slogan was an interesting bid to promote what the country had to offer, and activated even more certain clichéd perceptions that perhaps were not so far off the mark at that time. Today the Spanish may be said to be not so different, but they are still unpretentious, including, of course, in matters to do with the implantation of technology.

Nevertheless, the little importance given to “the technological aspect” in the Spain Brand’s current image in the world is due to the fact that the Industrial Revolution has come swiftly and late, and that since Spain’s Industrial Revolution, the word “technology” has been associated exclusively with industry and production capacity, and later with computers and the Internet. This exclusivity does not make much sense today, and the etymological origin of the word is coming to the fore once more.

But in the list of great Spanish innovations, there are also some small and apparently insignificant things without which life would not be so easy. The floor mop is a clear case of this. Emilio Bellvis woke up one night with a solution for washing floors. This was a funnel-shaped device with holes on the surface, narrow at the bottom and wide at the top with which to squeeze out a mop with thick cotton strips. He founded the company known as Rodex.

Another innovation that has spread worldwide was Table Foot-

ball, invented by a tutor in a hospice in Valencia, Alejandro Finisterre, who patented it in 1937. It might be considered, at least in concept, a forerunner of videogames.

One of the most profitable and most universal innovations was Enric Bernat’s **Chupa Chups**, a brand that has turned into a generic name in various languages, is consumed in over 160 countries, and is often mentioned in the same breath as Coca-Cola.

Among the most recent innovations, the Panda Anti-Virus program comes to mind. ®

>culture is an intangible asset that is hard to quantify, but it is one of the driving forces and characteristics of a country.

Spain has a large repertoire of popular sayings that defines the Spanish and their half-Quixote, half-Sancho Panza outlook on life, and which helps to explain their backwardness until thirty years ago and the reason for the acceleration and improvement in their prestige as a country and as a way of life.

All this clarifies why, although the Spanish model of life and culture was looked down on in the 20th century by the industrially dominant countries, today all the advanced modern societies are taking more notice of, and admiring Spain and her way of living.

Undeniably, culture is an intangible asset that is hard to quantify in terms of value, but is one of the driving forces and characteristics of a country. It is much more permanent than production capacity. Therefore, its integration into the image of Spain provides stability for the country brand that technology, by definition, is quick to give and take away. The efficient combination of culture and technology is, without doubt, the best weapon to render the Spain Brand timeless and hard to beat.

Spain, because of her situation, climate, cultural heritage, language and history, can offer today what only a very few privileged countries like her can. Here, technology must help to activate the connection, or “cross-selling of tangible and intangible assets”, of her country image, by combining the classical and the modern in the promotion of her tangible and intangible assets, both natural and social, that make up Spanish culture.

The “Made in Iberia” or “Made in Tarraco” labels, from the time of the Romans, who consumed wine from Tarragona in Rome, the first wine to be used by Peter, the first Pope, have been reactivated and are a going concern, thanks not only to well-known brands such as Marqués de Cáceres or Torres, once more triumphant in foreign markets, but also to a less well-known brand from Tarragona, Müller, which is the main supplier of wine to the Holy See once more.

This sector is a good example of the relationship between tradition, culture and technology. So far, technology has only been exploited for winemaking techniques, particularly filtering, which has brought about a significant improvement in the quality of wines, but has yet to do so effectively in the marketing or producing consumer awareness of these brands.



Natura Bissé specialises in luxury cosmetics.



Ferrovial is another example of a company competing on an equal footing with building and engineering companies from anywhere in the world.

Below, a Gas Natural turbine.

A historic leap forward

In the last thirty years, Spanish society and its economy have made a great leap forward, the beginning of which was to be seen in the country's image after the 1982 World Cup and was confirmed and came of age as being that of a modern and technologically-advanced country with the outstanding Barcelona Olympics and the Expo 92 World Fair in Seville, bringing Spain her first high speed train and a major advance in technology and telecommunication infrastructure.

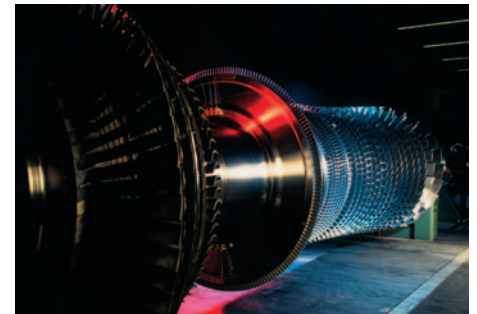
Obviously, Spain's entry into the EU meant a good many positive and decisive changes for the country and her society, hitherto closed and distrustful of what was outside. Entering Europe limited a lot of the abuses and sinecures that were typical of a narrow, restricted social and economic structure, and it gradually changed. There began to be a variation in how the Spanish saw Europe and the rest of the world, and vice versa.

Many Spanish companies saw entry into Europe as a threat rather than an opportunity, as they felt that opening up the country to free trade with Europe was tantamount to handing it over to companies that were more technologically advanced and to people who were technically more qualified and who knew more than they did. At that time, a good many Spaniards still saw Europeans as invaders who were going to buy their country from under their noses.

It was clear from the outset that the discipline imposed by the European finance ministries from Paris to Bonn and administered from Brussels never for a moment believed, and neither did the Spanish, that Spain would be capable of fast-tracking into the Eurozone.

But fast-track she did, and this gave Spain's foreign image prestige, and it also finally swept the stigma that she had borne since the loss of her overseas colonies, a stigma that had always been accompanied by a huge collective inferiority complex that she has finally shaken off. The Spanish are once more beginning to believe that they can compete with anybody in the world, and even sometimes be the best.

The main values that have turned Spain into the country that has perhaps most transformed its international image in the last twenty years have a lot to do with her plurinationalism, and this, her real advantage, should be examined and at




THE GROWTH OF PRODUCTIVITY AND INSERTION IN THE INFORMATION SOCIETY

SPAIN IS EXPERIENCING A SERIOUS TWO-FOLD DEFICIENCY: in productivity growth and in her degree of insertion in the Information Society. Her growth pattern is not compatible with that of an advanced economy. Compared with other countries, the indicators (investment in ICTs, fixed capital growth, value-added weighting, investment in R&D, spread and use of ICTs) have been and still are below the average for Europe and the OECD.

These are the conclusions arrived at by experts who, under the direction of the economics professor, Emilio Ontiveros, have drawn up a report, commissioned by the Minister of Industry and Trade, José Montilla. The conclusion is that Spain is exposed to a high risk of digital exclusion and marginalisation from the knowledge economy.

The authors of the Convergence Plan believe the Government should adopt an urgent strategy for the economic modernisation of the country. The experts say that the current growth pattern in Spain is unsustainable in the medium term because there are not enough technological and human resources available.

This situation has arisen in spite of the fact that technologies are becoming increasingly important in investment in the economy, with a growing contribution to productivity. Between 1995 and 2002, the amount of capital devoted to technology grew to an average annual rate of 1.93%, above prosperous countries such as Germany, France, Finland, and even Japan. In spite of everything, technology output has not penetrated the Spanish production process and the problem lies in the scant exploitation of this investment due to the gaps in employee training, according to a study by the BBVA Foundation and the Valencia Institute of Economic Research.

The sociologist, Manuel Castells, says: "What needs to be done is to create a useful supply before stimulating demand; people use the ICTs for what interests them, and these interests do not often match official versions". Convergence and competitiveness in the area of the Information Society is of vital importance for Spain, but at the same time it is something she has yet to understand fully. 

the same time shelved until a definitive solution is found regarding the format of the State, the only thing holding her back from being a modern country and presenting a common front.

Today, although it is true to say that there is still not much research or invention going on, and that in general the people are reluctant to speak foreign languages, it is also true that the "technological backwardness" is more of a statistic than reality, and is due more, in the private context, to the life of the Spanish and their street culture, and in the business context, to the structure and size of her companies, most of which are SMES, than to an empirical reality.

"Spain is still different" technologically speaking

It is true to say that there is a world obsession for standardisation, to be like everyone else. It is obvious that with regard to the industrialised countries around Spain, the overall statistical data show a clear lack of IT, if not technological, integration.

But perhaps we should look at these figures within Spain's economic context. Spain's business fabric is made up mainly of SMES. In Spain, almost 50% of firms are one-man-bands, and over 96% have fewer than 20 employees. Thus, just under 4% of Spanish companies have 20 employees or more. These are the ones that create the Country Brand image abroad. They have an average IT integration level above that of the EU (15 countries before the last expansion), and as we shall see, they are everything but the equal of their peers.

In the world of business, technologies have been integrated into the manufacturing process, and subsequently in the computerisation of management and organisational models.

TECHNOLOGY IN BRANDS

There has been a general mechanisation of procedures in traditionally manual organisational structures and in a few cases there has been a genuinely efficient integration of technology. Business models have been adapted to computerisation and people to machines in most countries, and the same goes for Spain with large companies, but not with SMEs.

In the large companies, IT originated in the administration department at the same time as marketing in the commercial department.

As may be seen in the diagram, years later each of these new specialities became independent at a disparate rate. IT, or rather, Information Systems became the backbone of companies and at the same time their evolutionary brake in many cases. Meanwhile marketing, even though in theory the most important department of a company today, has been relegated to a technological level and its systems have evolved relatively little.

The SMEs, on the other hand, have not suffered this problem of integration to such a degree, as their structure is by definition very flat and practically none of them have a marketing or IT department strictly speaking; instead they have someone in charge of this matter who also has many other duties. The organisational pyramid system that was typical of the industrial era in larger companies is therefore in decline as often the traditional organisation scheme is not compatible with the IT and communications era. SMEs, however, do not have this problem. Without doubt, size has been, is and will continue to be a decisive factor in this matter and is possibly a trump card for Spain in the e-collaboration era.

Thus the Spanish SMEs' non-adaptation to the traditional model and the negative statistics are neither true nor really a disadvantage; in fact, just the opposite—they are an opportunity. On-line business dealings via the Internet, which obviously serves internationalised Spanish companies and many others as well, does not serve all SMEs, and neither many other countries around her, and so the next few years will see an implementation of hybrid business models.

The up-and-coming business model in the world for integrating the IT and e-commerce era is to be found in the third technological wave, connectivity, but this assumes that the second wave, computerisation, is a fact and that everyone has a PC, which is true for the United States but not in the rest of the world. The technological reality of the world, including Europe, is a far cry from that of the United States. In Europe and most of the rest of the world, the terminal with the



The use of technology in SMEs as well as in large companies is at a very early stage with regard to dealings with customers and suppliers.

biggest penetration is the mobile phone, not the PC. It is interesting to note that the penetration of the mobile phone in the United States is lower than in many other countries of the First World.

If we look closely, we see that North American technology companies want to impose their business models that are based on their business structure, but, as we shall see in the diagrams that follow, this is very different from most of the world's markets, particularly developing markets.

For this reason, the Spanish model of SMEs and the reality of her market are not a disadvantage, but an advantage, because if her companies adapt technology to the reality of the country, the work is also being done to adapt it to the vast majority of emerging world markets.

For the first time, a consumer appliance has conquered the planet in just seven years and its growth is unstoppable⁷. Spain has one of the highest mobile phone penetration rates in Europe, and the usage percentage also puts her among the leaders in the continent.

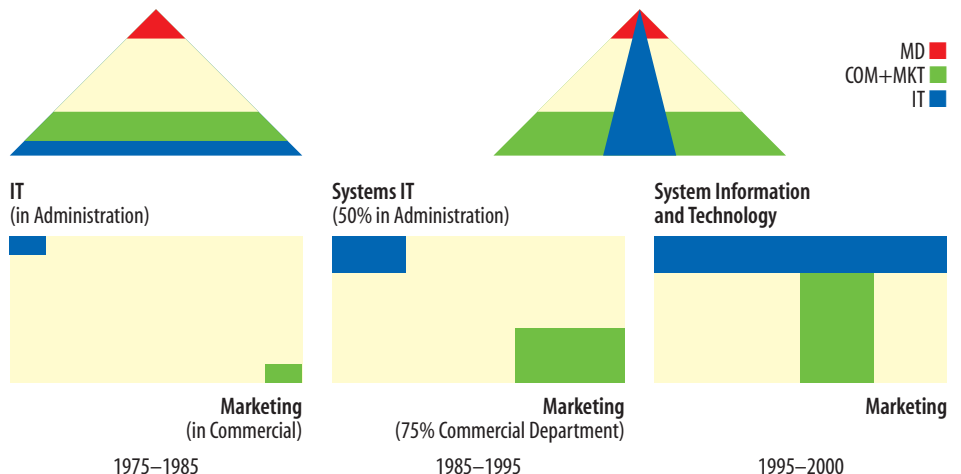
AECE⁸, the Spanish Electronic Commerce Association, reports in recent studies that over 87% of Spanish companies with more than 10 employees have Internet, but that they rarely use it for electronic commerce. They also report that there is a slow-down —almost zero now— in the number of people joining the digital era via a PC; in other words, everyone who wanted to be part of it, is already.

Diagram 3 shows a comparison between the penetration of Internet and PCs as against that of mobile phones. We see that there is a clear distinction in business and promotion models depending on the country, which is shown in the circle. The various alternative channels that the digital era provides us with, therefore, should be used in different ways and their efficient combination is the secret of success for the Country Brand as well as for all commercial brands without exception.

Every country has its reality. In the industrial era, technology was imposed, but in the IT and communications era, it is adopted or otherwise only if it provides tangible value in itself.

We can see in diagram 3 that 21st century business models differ from country to country, since penetration of the different types of terminal for obtaining connectivity and interconnection also vary from one country to another.

Diagram 1: A comparison of the evolution of technological and marketing integration within organisational structures and business models



Source: The author.



Size can be a trump card for Spain in the e-collaboration era.

Simon has a presence in domotics, incorporating the latest technological advances.

Every company in Spain, however small, now has its accounts and administration computerised. But what about the rest of the business? If I communicate by mobile phone and am out all day, why do I need a router or PC?

The use of technology in SMEs as well as in large companies is at a very early stage with regard to dealings with customers and suppliers.

It is clear that this low penetration has no influence on the business of the SMEs, as this is based more on personal contact than on technological capacity. It is also clear that technology could improve the SMEs' procedures today, and particularly those of the large companies, through the efficient combination of alternative channels, but very few people yet know how.

There are certain second-line options on the market that could improve business models in many cases, but they do not have champions in the companies for two main reasons. The first is that the examples are North American and nobody understands that local innovation is possible. The second reason is that technological change has been such that the decision makers in companies are the ones who are least interested in change, and those who are interested do not understand them⁹. The Spanish market is still reluctant to innovate and keeps looking abroad. "No man is a prophet in his own land" is a saying that, sadly, still holds true in Spain.

In short, if technology has not been integrated into Spain, it is not because nobody has known how to make use of it, but because it brings no tangible value to 96% of her companies. It comes from the United States and does not fit in with their needs. Unfortunately, most of the consultancy firms that claim to be technological experts (but aren't) devote themselves to selling products which, although good in their own way, have been conceived from the viewpoint of the top-down industrial era, in which the employees adapt to the management. And most companies integrate technology using production and industrial criteria.

Obviously, few companies have thought about or understood the rules of the computer era activated by the bottom-up concept in business, in other words, the "customer-first" or techno-customer-centric¹⁰ models up.

> **s**pain has one of the highest
mobile phone penetration
rates in **e**urope

All these theories have been proved empirically in the 21st century and all that has to be done now is to motivate Spanish companies to take part in the Third Industrial Revolution, which perhaps, if they are capable of being prophets in their own land, will have a Spanish flavour.

Thus, there are two clear business models using technology today, but if we examine them, it is quite obvious that the obsession with e-commerce has been imposed more as a result of the technology sector's inability to innovate than by reality. It is clear that the technology sector as a whole has been overtaken by technology itself and that its creativity depends on the United States, which wants to impose its own business model. It is also clear that international expansion in this sector has copied industrial models that are country-based, not transnational, such as the technology that has become universal through the Internet. All this means that the slow rate at which technology is being implanted has been caused by the technology companies themselves.

It is plain to see that, in Spain as well as in the rest of the world, the first step in computerisation has been the mobile phone, followed by the PC network or any new terminal that improves personal communication.

Technological advances are rarely acknowledged in surveys. It is usually the management of competitor companies in developed countries that answer these types of questionnaire. It is also difficult to assess this type of latest-generation technological changes that occur practically simultaneously in all countries.

Technological advances are rarely acknowledged in surveys. It is usually the management of competitor companies in developed countries that answer these types of questionnaire. It is also difficult to assess this type of latest-generation technological changes that occur practically simultaneously in all countries.

Technology and the Spanish industrial fabric

This section deals with a small sample of Spanish companies from diverse sectors distributed over the whole of Spain, proving that technology is now no longer concentrated in just one or two typical areas. It also shows how the plurinationalism of the country and its constant growth has enabled companies from all regions of Spain to be universally recognised for their technical leadership in traditional industrial sectors and those of the new economy.

Many Spanish companies have based their development on the use of technology invented by others, such as Telefónica, Repsol YPF and Unión Fenosa.

>companies from
all regions of Spain
are recognised for their
technical leadership



THE “SPAIN BRAND” AND TECHNOLOGY

WHILE THERE IS, IN GENERAL, a difference between Spain's business image and its reality, in the sectors with a high technological content, this difference might be said to be dramatic.

This is why Spanish software companies with international presence, and there are quite a few of them, who have been highly successful, found that success when they opened up in Silicon Valley.

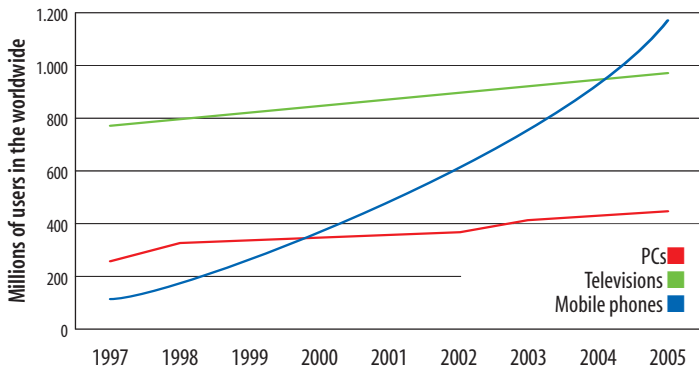
Nevertheless, there are Spanish products and services that are really significant in sectors in which the incorporated technology is a major feature of what they have to offer.

Simon is one of the most noteworthy in small electrical items, protection and lighting material, and now, domotics. Its product range is sold in 60 countries in the 5 continents.

Televés, a Galician company, makes aerials that provide signals for the British and Scottish

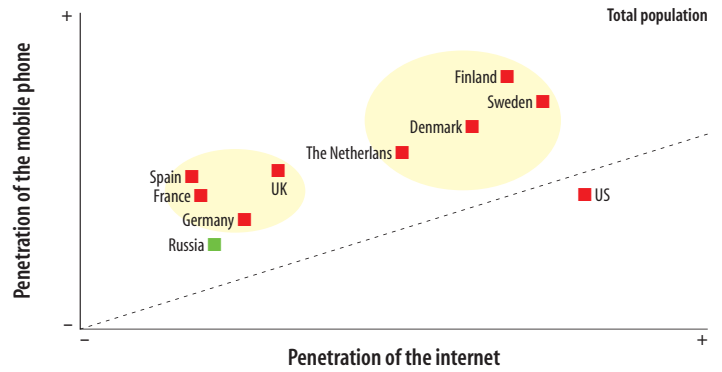
TECHNOLOGY IN BRANDS

Diagram 2: Comparison of the penetration rates of 3 appliances that have revolutionised the world.



1997 was the first year of the true popularisation of the mobile phone. Source: The author.

Diagram 3: Comparison between penetration of the mobile phone and that of the Internet. Technology is not imposed, it is adopted.



Source: JP Morgan 2003

Although these companies are also innovators in other fields, they are perhaps the best example of improved versions of very old companies that are constantly adapting and reinventing themselves.

Others are examples of companies that have developed their own technology in industrial sectors, such as the Navarran companies Viscofan, in plastic packaging, and Azkoyen, with its vending machines; the Catalan companies, Ros Roca, in industrial machinery, Simon, in electricity and also in domotics, Roca, in bathroom fittings, and the Cirsa Group, in pinball and gaming machines; the Galician company Televés, in domestic telecommunications and domotics; the Valencian companies Porcelanosa and Ke-raben, in tiles and design; and the Santander company, Teka, in kitchens.

It is in the traditional consumer sectors, in which at first sight it appears that there is nothing left to invent, where perhaps, thanks to technology, there have been the greatest advances in hygiene, safety and improvements in the production and conservation processes, which has enabled the products to be transported much further. If there is one sector in which technology has brought about a major revolution and has improved the image of Spanish products in the world, that sector is perishables. Thanks to cold storage technology and other advances in

parliaments, the Sultan of Brunei's palace, the Trump Tower in New York and a good many important buildings in 50 countries.

Iberdrola and **Unión Fenosa** have made use of their electricity generating centres and distribution networks to exploit their know-how and experience. As well as investing in several countries they provide consultancy services to 40 countries in 4 continents.

Rodman is the leading manufacturer of fibre glass-reinforced polyester boats. It exports 70% of its output.

Applus is the world leader in the automobile certification sector. Every year it inspects 17 million vehicles in 22 countries, more than any other company in this sector.

Indo, as well as manufacturing lenses and glasses, is the world

leader in the optical and ophthalmology equipment sector, and the fourth biggest producer of edging equipment.

Nicolás Correa is the leading Spanish exporter of machine tools.

Laboratorios Indas with medical instruments.

The "Spain Brand" has much to offer and the Spanish open character is a big advantage here. ®

packaging techniques, this sector has expanded its radius of activity, and also that of the Spain Brand.

One example of this advance is the recent invention of new packaging specifically for strawberries which has just been patented, by the Valencia Agricultural Research Institute, which prolongs the conservation of strawberries by two days in perfect physical state. Forty-eight hours today means being able to send a truck 1,000 km further, and thus cater for a much bigger market. Something which at first sight may seem indistinctive, such as simple packaging, is now not only a question of design, but profitable innovation.

Agriculture is the sector that has been the last to experience this industrial revolution, but it has changed entire communities such as Lepe, the world strawberry capital, or El Ejido, many years ago a small village in Almería, which in just a few years has gone from poverty to prosperity and from exporting labour to Germany to receiving waves of immigrants seeking work in the fields.

Entire regions, such as Andalusia with its olive oil, Murcia with its market gardens and preserving factories, Levante with its citrus orchards and Extremadura with its cherries from the hidden Jerte valley, can today, thanks to technology and improved transport, deliver their products to any table in Europe. All this has been possible thanks to a relatively recent major change in the philosophy and organisation of a good many companies and agricultural cooperatives which has meant no longer selling to foreign agents but delivering products with their own brands straight to their destinations, providing more added value for their products and improving Spain's image throughout Europe, from London to Moscow.

The Galician company, Televés, has developed its own technology in domestic telecommunications and domotics.



TECHNOLOGY IN BRANDS

Leche Pascual is one example of technology in the food-processing industry. It introduced ultra heat treatment and modern packaging to the dairy sector in Spain, and is the only European dairy company with a Grade-A export licence for its products to the United States. Thanks to its excellent quality and the application of the latest technology to the entire production process, it has managed to obtain the maximum certification grade from the country that is the most stringent of all. This company's constant evolution has enabled it to develop a system to preserve its yoghurts without refrigeration, thereby creating a revolutionary new product category in a sector with such a long history.

Sos Cuétara, with its rice and biscuits, sweets and sauces, oils and olives, is perhaps one of the healthiest groups today, combining modern ideas with tradition, with brands that are absolute leaders in their markets and a highly qualified team of professionals who have developed cutting-edge technology in manufacturing and business management. Because of their position as leader and their internal marketing, this is perhaps one of the companies that most clearly represents the change of philosophy occurring over the last few years in Spanish companies.

Nor can we forget Campofrío, the Agrolimen Group —with many brands on the market— Nutrexpa, belonging to the Ferrero family, or the Corporación Borges. These companies were perhaps the pioneers in the processing of quality food-stuffs and also pioneers in the development of Spanish brands. Similarly, they were the first to internationalise Spanish products, not only in neighbouring countries but also farther afield, in countries such as China or Russia, by taking risks and overtaking other countries with an exporting tradition that went back much longer. This has enabled the Spain Brand to become very well-known and well-accepted, as it is associated with energy, quality and an improved life-style. They all deserve high praise for their constant innovation in quality and organisation.

It is interesting to note that the drinks sector, with brands such as Marqués de Cáceres, Torres, Codorniu, Freixenet, Osborne and Tio Pepe, has made great use of technology to improve the natural quality of the production process for wine, avoiding problems arising from the transporting of the grapes. The improvements have been in the machinery, from pressing to filtration, which has improved the quality even more while maintaining the strict tradition of this sector.

The clothing sector is perhaps the one that has most benefited and influenced the change in the Spain Brand image, by associating it with creativity, but also



Drinks such as Freixenet and Tio Pepe have made great use of technology to improve the natural quality of the production process.



Telefónica, Repsol YPF and Unión Fenosa are the best examples of improved versions of old companies that are constantly adapting and reinventing themselves.

with technology, thanks to Cimarrón, of the Sáez Merino group, which some years ago introduced a revolutionary technical innovation which gave their jeans fabric a much higher elasticity than that of their competitors, and Lois, in the same group, one of the top 4 jeans brands in the world. Similarly, Adolfo Domínguez, with a new business model based on limiting production, but making it flexible, and Zara, in the Inditex group, have managed to create new business models in a sector as long-standing as clothing. At any event, the Inditex group deserves mention apart as a perfect example of the use of technology and marketing in an original and revolutionary way.

Mention should also be made here of the automobile sector as although there is now no longer any genuinely Spanish brand of vehicle, Spain is still producing a large number of vehicles that are her biggest export, and she is among the world's top ten vehicle producers. In this sector, however, Spain is probably the example to follow in the automotive parts sector, with the development of turn-key products for most of the world vehicle manufacturers, who have outsourced their R&D, and the production of parts for their vehicles which they entrust to companies that are often Spanish, and they not only manufacture them but create, design and integrate them into the design of the vehicles and make just-in-time deliveries to the assembly plants. From the first blueprint to their imple-

mentation, new model vehicles are developed in team work with the brand engineers. For example, the province of Barcelona is one of the most important vehicle design centres in Europe today. Automotive parts companies such as the Gestamp Group and Ficosa, to name just two who have expanded worldwide, supply all the world's automobile brands, and Irizar, in the large vehicle sector, is one of the most prestigious coach-builders in Europe today.

The new economy has a good many representatives in Spain, brands that were unknown until recently and which need to be used to change Spain's image in emerging sectors—which have yet to feature outstanding names. The case cited at the start of this chapter, Gamesa, which began by—manufacturing wind generators under licence from a Danish firm and now manufactures them for itself with its own technology, is a good example. This company not only manufactures, but has managed to innovate its wind farm management and promotion models. The company identifies an area and builds a wind farm there which it exploits and then sells to third-party investors once it is up and running, so that its earnings are not only those of just a manufacturer, or of a company that manufactures turn-key installations, but those of a company that sells going concerns. Its international recognition is such that today it has wind farms that have already been sold but still only exist on paper.

Another company we can cite is Isofotón, based in Málaga and a market leader in solar photovoltaic energy, which for its quality is on an equal footing with large Japanese multinationals. It exports the vast majority of its production, because this type of energy has yet to find acceptance in Spain, a country which in spite of having one of the highest rates of solar radiation in Europe has not yet developed this renewable energy; however paradoxical this may seem, it is a clear example of Spain's reluctance to innovate in many areas.

Then there is the Abengoa Group, one of Spain's most transnational companies which controls from its base in Seville many other companies such as Abengoa Bioenergy, located in the North American city of Saint Louis, and is one of the world's leading producers of biofuels which it manufactures and markets.

>the new economy has
a good many representatives
in spain



If there is one sector in which technology has brought about a major revolution and has improved the image of Spanish products in the world, that sector is perishables. In the photo, a Pescanova vessel.



Leche Pascual is one example of technology in the food-processing industry. It introduced ultra heat treatment and modern packaging to the dairy sector in Spain.

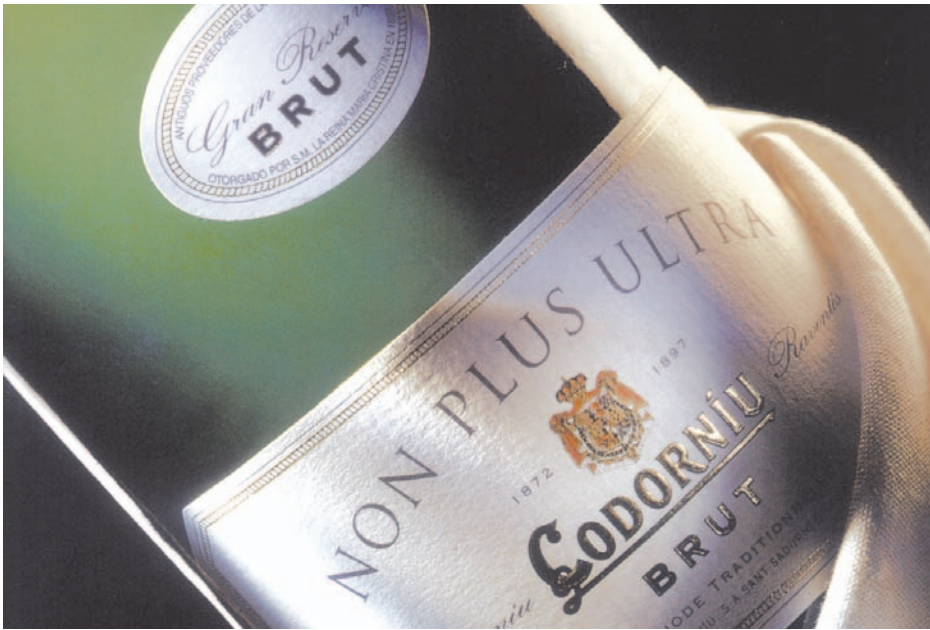
Its refineries in Spain and the United States produce bioethanol, which serves as raw material in Repsol and Cepsa refineries, among others, to generate ETBE, an additive which improves the octane rating of petrol and is to be found in the fuels of various multinational oil companies.

Telvent is another example, also part of the Abengoa group. This firm has been quoted on Nasdaq since October 2004 and is involved in real-time technological software applications in various highly advanced sectors, such as energy, traffic management and the environment in what is seen as the extremely competitive market of the United States, where its business is growing fastest. Then there is the Indra Group, operating in a number of fields, ranging from its market leadership in flight simulation systems for all types of aircraft to electronic voting systems.

Large international conglomerates, such as the Catalanian Agbar Group, including companies such as Applus+, the world leader in vehicle certification, or the Mondragón Cooperative Corporation Group, with Fagor and many other companies belonging to the new economy, such as Ecotecnia, are also good examples of technological and organisational excellence. The Mondragón Group, of Basque origin, has developed and improved the cooperative model, proving that discipline and management in Spain can be a group activity.

Acciona is one of the leading international construction and civil engineering companies to have diversified and expanded internationally in recent years, and now has interests in a good many sectors and a presence in many countries. This company, together with Ferrovial and FCC, is just one more example of companies who compete with construction and engineering companies from anywhere in the world on an equal footing and are now participating in emerging sectors such as renewable energy, a sector in which Acciona, through EHN, has become one of the world's market leaders.

Today, as far as the banking sector is concerned, Spain is probably the most technologically integrated country in the world. One of the indicators backing up this claim is the fact that she has the greatest number of ATMs per 1,000 inhabitants in Europe, if not the world. She is also the country with the highest number of card payment terminals in proportion to her population and number of retail outlets.



Thanks to technology, there have been greater advances in hygiene, safety and improvements in the production and conservation processes, which has enabled the products to be transported much further.

The reason for all this lies in the fact that over 15 years ago, the AEB and Bank of Spain carried out a standardisation of the various clearing systems. Spain was a pioneer in the installation of data transmission networks. The computerisation of banking services enabled companies and individuals to carry out more transactions and have access to their money 24 hours a day at ATMs, as well as make standing order payments and have the use of debit and credit cards. Spanish companies were the first to be able to issue receipts automatically and computerise payment transmissions, which were later carried out on-line.

Other technologically-savvy countries are a long way behind Spain with regard to this sector. This improvement in efficiency rates in banks, together with the important role they played in the Spain's economic transition in certain key operations concerning the implementation of technology and company privatisation, enabled some of them to generate major resources to put towards their subsequent internationalisation. BBVA and the Santander Group, together with La Caixa, are three clear examples of Spain's banking power, which has played its internationalisation cards extremely skilfully, supported by their unmistakable technological advantage. The Banco Popular, which was the most profitable bank in the world for many years, is also a prime example of tradition and profitability, and the Banco Sabadell, one of the banks that started up because some Sabadell businessmen needed financing facilities towards the end of the 19th century, in an area that was the cradle of the Catalanian and Spanish industrial revolution, is now one of the top banks in the Spanish banking system. These banks' growth potential, a growth which so far has taken place almost exclusively in South America, is the first step on the way to the conquest of other markets.

There is no doubt that the Santander Group, with its purchase of the UK's Abbey National, has shown the City that this time Spain means business, and with its technological and organisational resources is capable of not only acquiring the firm, but also of improving its financial results and of maintaining its position as the number one European bank.

The banking sector, like the Tax Office and recently, the Social Security in Spain, is a clear example of how, through the fault of, or rather, thanks to, the late arrival of "industrialisation" and "computerisation", Spain has overtaken other countries around her and is suddenly much more modern than many others.

SPAIN AND THE B2B BRANDS

COUNTRIES GRADUALLY CREATE PERCEPTIONS IN THE minds of their customers. They have created images representing the strengths and weaknesses of their sectors. The USA is perceived as being a world leader in IT, but not in cars. With Germany, it is the opposite.

Spain is perceived as a country associated more with leisure than technology. So when technological products are being promoted, doubts arise.

What can be done about this? Firstly, accept the situation. Crying from the rooftops that Spain is a country with superb R&D&I capabilities will not solve anything. Existing customer perceptions must be worked on, accentuating the positive and diminishing the negative by being aware of the competition in order to highlight its weaknesses and diminish its strengths.

All the surveys are clear about one thing: Spain “is a country with fun, friendly people who know how to live well and be sociable”. These are qualities that most of her competitors do not have. But convincing arguments are needed to lend credibility to the fact that there are people in Spain who have caught up with the most advanced technologies. There are three arguments that can help:

1. Promoting sectors in which Spain is perceived as being advanced or important internationally.
2. Using the fact that she is European.
3. Using references from multinational customers.

Even though that might convince some, there would still be more to do. Give them a reason for changing to the “Made in Spain” label. This is where the existing perceptions about the Spanish would come into play. ®



The Puig Corporation, because of its diversified products and quality, is already on an equal footing with the leading players in the cosmetics, perfume and luxury products sector.

The Puig Corporation, because of its diversified products and quality, is already on an equal footing with the leading players in the cosmetics, perfume and luxury products sector. Although it is not a quoted company, it has, with a strong self-financed growth, quietly gone about becoming one of the major multinationals in its sector.

El Corte Inglés has managed to marry the traditional system of doing business with the implantation of on-line selling strategies, which although modest, have caused it to become the market leader in sales via this channel and will enable it, as long as it plays its cards right without going international, to develop this virtual business further.

Mention should also be made of Filmax, and other producers who are beginning to make inroads into one of the few remaining sectors to be breached by Spanish companies: creativity, an intangible sector that is already a major feature of other countries and is now beginning to be so in Spain. Thanks to the talent of certain of her directors and artists, and her attraction for the rest of the world, Spanish cinema is beginning to open up a small gap for itself in the competitive world audiovisual market.

Inditex

Few people realise that some of the most efficient companies in the world are Spanish. Spain has what is possibly the most technologically efficient company in the world in the highly complex clothing sector, in which Inditex has managed to integrate the production of practically all the necessary components, from thread to buttons, in order to achieve complete vertical integration.

The secret of the Inditex group’s success lies in the fact that it has managed to create a new business model in a traditional sector, a feat which is possibly worthy of even more merit. From the outset, this firm has used technology extremely efficiently for design, production, distribution and stock control, costing and product rotation, something which cannot be matched by its competitors yet.

It also has a point-of-sale attraction policy based on a viral marketing¹¹ strategy, or word of mouth, without spending money on advertising anywhere in the world.

The secret of its attraction is that if you want to see its products you have to come to the shops, and every week there are new items that sell out almost immediately.

Another of the reasons for its success is that Amancio Ortega has surrounded himself with a small but efficient team that is fully aware of the fact that the customer is at the centre of everything and that the made-to-measure technology it uses has been created in-house, without the need for large consultancies or famous software brands.

Subsequently, its wildfire-like spread into international markets, always in the prime retail areas, and with a design that was constantly being renovated and adapted to a glocal (global and local at the same time) world, has been, and still is, unstoppable.

Its internal marketing model with regard to human resources is also a prime example of its ability to transmit its brand identity and at the same time listen to its local employees. In this way, this model company has ensured that its service is standardised yet at the same time it enables its local employees to make the customer feel welcome, wherever he is. And all this has been set up by mainly Spanish professionals.

Creating rather than producing

Language, culture, education, a willingness to improve and innovate, the spirit of enterprise, social responsibility and respect for the environment are the bases for



La Caixa is an example of Spain's banking power, which has played its internationalisation cards extremely skilfully, supported by its unmistakable technological advantage.



Indo, a world leader in the optical and ophthalmological equipment sector.

constructing a Country Brand and consolidating it. Technology is only a means, albeit important, but still only a means serving certain values and a culture that should respect tradition and, at the same time, be capable of liberating itself and innovate.

One of technology's main problems in the world in recent years has been that it has been introduced copying an international expansion model that is wrong, by following the ideal model of the industrial era, automation. This model is not right for the IT age, since in the new economy, technology is a means, and no longer an end. Its imposition generates social rejection for the negative connotations it arouses.

In a world that is constantly changing, it is important to understand that technology, as a means, must try to simplify social and business organisational models by using technology to adapt to the individuals, both customers and employees, who are involved in the process, and not the other way round.

Spanish companies must understand that in this new era, one can go further with collaborative not individualistic approaches, in other words, with strategies that are completely the opposite of those of the last century in the industrial era. Teamwork and collaboration are essential for competition to finally become concurrence, inasmuch as common objectives are being shared. For this to happen, Spain needs to work on and activate internal techno-marketing¹² at a political, business and social level, accept her historical Mediterranean heritage—very different from the traditional model—and be extremely efficient and disciplined.

TECHNOLOGY IN BRANDS

The activation of on-line information, promotion and management channels, and the swift evolution in organisational and production models caused by globalisation, are bringing us to the end of the industrial era in Europe and practically the whole First World, giving way to a new creative era.

Creativity is, and will be, more important than production. This is something that the United States and Britain know full well, as they receive more overseas earnings from traditional royalties for the cinema, music, theatre and literature, and the new type of royalties for software, as well as the image rights of celebrities —sportsmen, actors and singers— than the royalties of all the traditional industrial sectors put together.

Ideas are the oil of the 21st century, and talent is the rarest commodity and the only way to convert them into profit. Quality is an obligation today and distinction is the only possible recipe.

There has been so much research and technical progress in the last twenty years that now the application of technology in society, which has not been able to absorb so much change, is business. The ability to think up new business models, for the traditional sectors as well as for the new sectors that are being created thanks to technology, is the opportunity. Today, everything is based on adapting businesses to technological progress, and in creating new things, both tangible and intangible, since innovation and creativity no longer refer exclusively to production capacity, but also to the ability to integrate technology into society.

Brands, as something alive and intangible, are constructed based on forecasts and, to a lesser extent, realities and tangible ideas with foundations that are rational to a greater or lesser degree. At times they are the result of orchestrated branding strategies, fashions and coincidences, and at other times they are due to hard work and constant self-analysis and review. The former are usually fleeting, the latter last much longer. In the 21st century, one thing is clear —brands are open 24/7— no rest for them. The creation of subliminal values is of capital importance, values which will enable intangible value to be transmitted and created, in which pleasure is the driving force for consumerism rather than technology.

> **s**pain may have the most
technologically efficient
company in the world in
the clothing sector



The Mondragón Group has developed and improved the cooperative model, proving that discipline and management in Spain can be a group activity. A coach built by Irizar, part of the Mondragón Group.



The substantial improvement in Spain's image abroad is due to her companies and, above all, to the Spanish themselves, who with their hard work and discipline have managed to transform a country over the last thirty years.

The best way to improve any business is to listen to the customers, and today technology enables us to do so anywhere in the world in the comfort of our living rooms; but it is important to remember that in order to understand them, we must approach them and generate empathy. In a globalised, interconnected world, technology has an effect on the models of relationship, organisation, education and also in the social and economic aspects, at the individual, family and group levels, as well as the professional level and between cultures

¹ Gamesa is one of the world's leading wind turbine manufacturers, and its aeronautics division supplies parts to companies such as Airbus and Boeing.

² Iberdrola has recently dislodged Florida Light & Power from its world leadership in wind power development.

³ *Tecno-Business*. Used to denote companies that have the ability to innovate their business model by applying and combining technology efficiently. The process is initiated with customer-based marketing. (techno-marketing). Term coined by the author to define new business models in the 21st century. First presented in a seminar, "On-line off line Branding", International Branding Programme. Stockholm School of Economics in Russia -SSERU (June 2004).

⁴ A person with special knowledge of a science.

Combination of procedures and resources served by a science or art. Skill or ability to use these procedures and resources. Ability to carry out any task, or achieve any end.

⁵ Combination of theories and techniques which enable practical use of scientific knowledge. Particular language of a science or art. Combination of industrial procedures and instruments of a specific sector or product.

⁶ *Ib.* Global and local at the same time. *Glocalisation* means respect for the local aspect in a globalised world. "Plan Global Act Local" is the secret of success of any implantation abroad, and Spanish companies, except for a few sectors in South America, more for the local social and economic situation, score high marks in this respect as against other countries.

⁷ The mobile phone has achieved in 7 years what

TECHNOLOGY IN BRANDS



Language, culture, education and the spirit of enterprise are the bases for constructing a Country Brand and consolidating it. Left to right, EOI Escuela de Negocios, ESADE, IESE-Universidad de Navarra and Instituto de Empresa (IE).

and countries, which is why it is important to become glocal¹³, global and local at the same time.

Business and leisure models are in constant evolution and are being constantly reinvented thanks to the new era of intercommunication and interdependence, where the leisure business is reaching new heights in Spain and traditional business will enable her to open up new markets and consolidate others. R&D is important, but the real opportunity is in the 'I', Innovation. It is obvious that brands, both country and product brands, can be separated from the influence of technology, and the future of Spain's economy, and therefore, her society, depends on its proper activation and integration.

no other invention in the world has achieved: today it is the most essential device in the western world. Recent surveys show that people would rather leave their wallets at home than their mobile. The mobile phone's penetration rate in the Third World is responsible for the high figures: many people have no running water or electricity, but they do have a mobile.

⁸ A study on B2C with clear e-commerce improvements in Spain.

⁹ "El médico mono receta" and "El mecánico conductor" are two techno short stories that explain the problem graphically. CBM © 2004

¹⁰ Technocentric business models are those that can be structured efficiently and on a *global* scale in terms of demand and not supply. One example might be Inditex. CBM SSRU June 2004.

¹¹ Viral marketing is word-of-mouth marketing

and is used as a promotional tool. It was the first system of recommendation in the history of man and has come back into fashion because advertising is no longer reliable in many aspects and people are suspicious of it.

¹² *Techno-Marketing*: The concept that studies and encompasses the integration of the various traditional channels (*off-line*) with digital channels (*on-line*) and the new opportunities provided by the combination (*the "mix"*) of the different channels. CBM SSRU (June 2004).

¹³ Global and local at the same time. Glocalisation means respect for the local aspect in a globalised world. "Plan Global Act Local" is the secret of success of any implantation abroad, and Spanish companies, except for a few sectors in South America, score high marks in this respect as against other countries.



Lorenzo Díaz
Sociologist and writer

SPAIN HAS ALWAYS TRANSMITTED AN IMAGE OF A PEOPLE WHO ARE PLEASURE-seekers, lovers of good food and wine, open and sociable. They have always been seen as serving fine dishes made from fine raw materials, juicy hams, health-giving olive oil.

From the image coined by romantic travellers to the most recent image, that of a modern country that has undergone its own “perestroika”, the Spanish have always given the same universal brand image, in which they are shown as being unbeatable in their daily lives. A country that has given the best of itself in its daily life and its own history.

Probably she has never had any great thinkers, but what she does have is fine food and wine. From the outside, Spain is seen as a country that is fun and genuine. She is seen as combining various virtues, a country of artists and “deep culture”. A warm and pleasant country to live in. Spain is seen as having a special “flavour” that distinguishes it from everywhere else in Europe.

One of the most outstanding and most frequently-mentioned aspects of the new democratic Spain, apart from her society’s success in embracing modernism with unprecedented dynamism, has been the brilliance of her *nouvelle cuisine*, praised to the skies in the major media the world over. How did food for shepherds, drovers and field workers come to be a cuisine that is new, advanced, avant-garde? How did the strong, rough wine of yesteryear evolve into wines that are celebrated in the world markets?

How did a country that suffered hunger for so long, one of whose main cultural assets was its picaresque literature, become one that is home to a first rate cuisine that has dazzled the jet-set of the modern world?

In a globalised world, it is brands, personalities, activities, clubs that are imposed as exemplary icons to the rest of the world. For many years, the only Spaniard known about in the United States was Severiano Ballesteros (Seve to the Americans). Today, Spanish names are to be found in the world of tennis, music, art or Nasa, science, and even Hollywood...

In France it was Indurain. In Scandinavia, Carlos Sainz. In Latin America, Julio Iglesias and Alejandro Sanz. In the opera world, Plácido Domingo, José Carreras, Montserrat Caballé. And above all, in tennis, where a stable of young players has reinforced Spain’s image.

Mention should also be made here of the Spanish league’s mercenary football, with the best-paid players in the world. And, surprisingly, universities and business schools and a King who is highly “marketable” for his affability and decision-making at key moments in Spain’s history.

Gastronomy, culture and heritage

Recent studies (Dircom 2001 — Spanish Association of Communicators) place tourism, gastronomy and culture/heritage as the activity sectors most associated with the Spain Brand.

From the *New York Times* article on Ferran Adrià and the Spanish *nouvelle cuisine*, to the pages of the *Wine Spectator*, as well as the prestigious daily, *Le Monde*, fêting the revolution in Spain’s kitchens and the unstoppable rise of her wines, Spain has become an essential topic whenever good living is discussed.

Her unrelenting ascent in field reserved for other nations has affected the historic hegemony of France, the champion and epitome of luxury rituals.

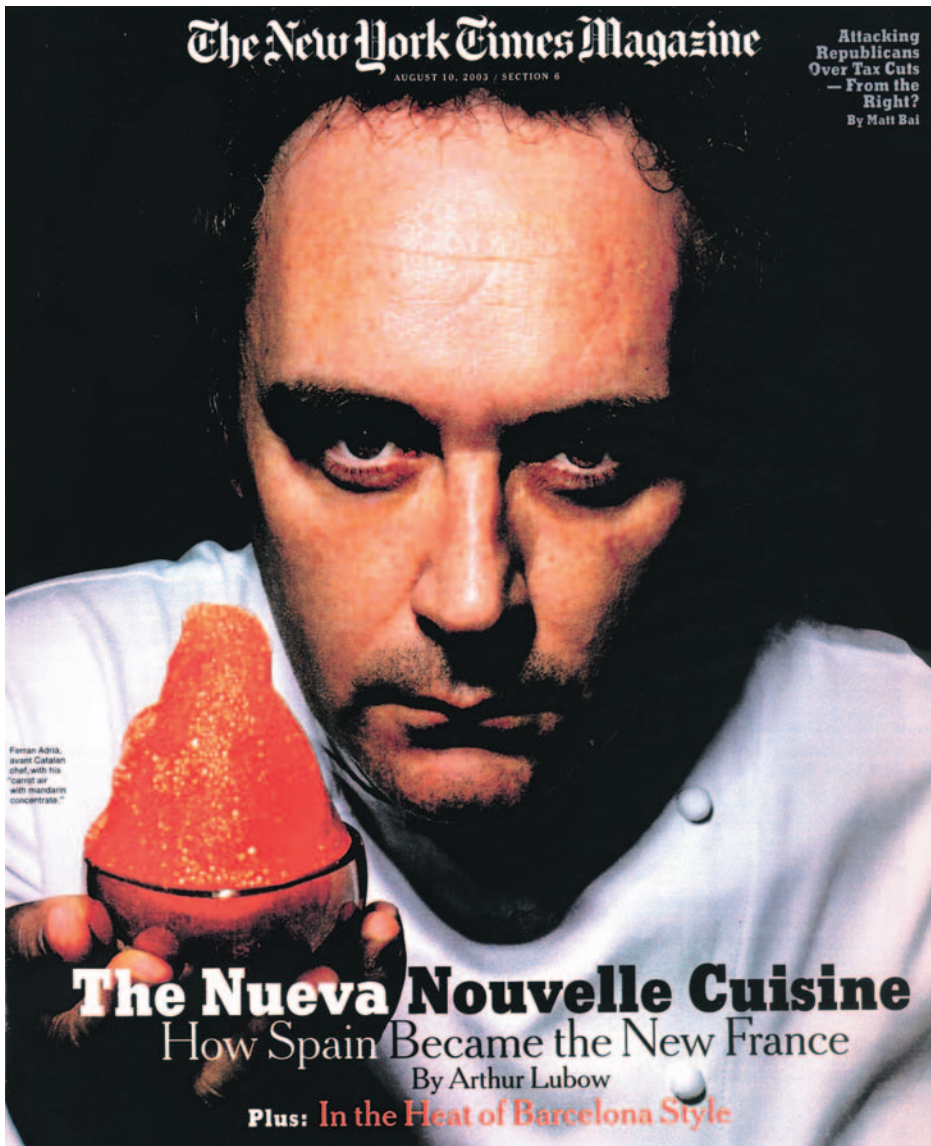
“The most important cultural aspect of the last thirty years in Spain has taken place in the kitchen”

■ Manuel Vázquez Montalbán

The flavour of brands

“One of the main assets of Spain’s image is the Spanish way of life”

■ The Times



Spain is becoming an essential topic whenever good living is discussed. Ferrán Adrià, Honorary Ambassador of the Spain Brand (EHME), on the cover of the *New York Times Magazine* in August 2003.

“In our country, the sun never sets, nor do our tables”. A paradox in a country that for hundreds of years gave an image of long-standing precariousness and hunger, and a society that produced a picaresque image and gave rise to picaresque literature, peopled by starving characters on the scrounge and penniless underfed students. There were people on the poverty line, but they were in the minority in Spanish society. The serious literature of that time exalted the life of labourers in Lope’s comedies and Cervantes’ interludes.

In fact it was picaresque literature, lofty and mischievous as it was, that hid social reality, along with the shallow, frivolous view of the somewhat impetuous and madcap “romantic” travellers, who had a prejudiced, clichéd view of the country.

“When the sun never set in our Empire”... neither was the table set in many houses. But in others, it was. There was abundant food in the palaces of kings and aristocrats. The Hapsburg household had a splendid character in its employment: the cook, Martínez Montiño, author of a veritable “best seller” of the time, *Arte de cocina, pastelería, bizcochería y conservería* which was published at about the same time as Don Quixote, and was an unprecedented success.



Delicious regional cooking now graces Spain's tables.

This cookery book examines in fine detail the cuisine of the baroque court of the Hapsburgs, insatiable gourmands, who enjoyed the finest food of that time.

Suckling pigs, hams, roast meats, *panachés*, fish. A veritable cornucopia of delicacies for a Court that never went hungry. A cuisine that was far from the aspirations of the ordinary people, who had to make do with a plethora of popular peasant dishes, such as *migas*, fricassees, broths, stewed vegetables and casseroles.

There was always a Court cuisine, right up to the Bourbons, that was a long way from what the ordinary people used to eat, and when this influence disappeared, it was the turn of delicious regional cooking, which finally graced Spain's tables.

TAPAS "MADE IN SPAIN"

IF A BRAND IS A SYMBOL MADE ON A PERSON, ANIMAL OR thing to distinguish it from someone or something else, it is evident that gastronomy is a symbol of the "Country Brand". Spain, in spite of her gastronomic wealth, has not managed to construct this symbol that distinguishes it and gives it its own character. Spanish gastronomy has such a variety of dishes that, because there are so many, none of them in particular stands out.

However, there is one "brand" that is internationally famous that can encompass in just five letters ham, chorizo, potato omelettes, fried fish, octopus with paprika, bread with tomato, and even *paella*, cod *al pil-pil* or *cocido*, that word is tapas.

This is a Spanish invention that is very popular all over the western world, and increasingly more so in the rest of the world.

It needs to be exploited more. *Tapas* is a word that is

THE FLAVOUR OF BRANDS

A look through the classic Spanish literature of the Golden Age reveals that the middle classes in Spanish society ate well and Cervantes' interludes are full of meaningful references to restorative dishes, sublime fricassees and wines from La Mancha, well decanted and flavoursome.

The poor and the needy, on the other hand, were always penniless, and the rumblings of their stomachs could often be heard in the Court and its surroundings. A middle-class table would consist, more or less, of what Quiñon-de Benavente described in his *Entremés del Mayordomo*:

*A thousand delicacies on the table:
The family would have four courses,
I will not hold back my words here.
Thursdays and Sundays, milk pudding,
Ribs, minced meat, pullet,
Mixed herbs, an enormous stew,
Dessert and grace...*

*Fridays, lentils with smoked cod:
Saturday is casserole day,
Magnificent leftovers and sauce,
And cow's liver in fricassee,
Perhaps a cow's stomach and brains,
And a mountain of bones to gnaw on*

>spain has never
possessed a gastronomic
capital. t his makes
them unique.
t hey have the most
diverse dishes
imaginable

In the 17th century the *madrileños* invented ready-made dishes that were sold in what were known as the “kick-down dives”, where people acquired food of doubtful quality in the street, as noted by Madame D'Aulnoy in *Relation du voyage d'Espagne*. They were called “kick-down dives” because when the authorities arrived on the scene of the gastronomic “crime”, the owner would kick down the stall and run for all he was worth.

“First God, then stew, and nothing else matters.” Spain's culinary logo for centuries was the *olla podrida* and then, somewhat devalued and watered down, *cocido*.

Olla, according to the Spanish Royal Language Academy dictionary, was “a dish prepared with meat, pork, pulses and vegetables, usually chickpeas and potatoes, to which was sometimes added some cured products, all cooked together and seasoned. In Spain, it used to be”, adds the Academy, “the main dish of the daily meal”.

used to promote fast-food, *tapas* as an appetiser. But it might also be applied to “slow-food”, *tapas* promoted as a menu de dégustation to be eaten at a formal table.

Now is the time to put it into action. If it were possible to set up an accredited network of “Tapas Restaurants” as widespread as “Italian”, “Mexican” or “French Restaurants”, the Spain Brand would almost certainly have a symbol that was much clearer and more perceptible outside her borders. ®



Today, while in most parts it is called *la olla*, in others it is called *el puchero* or *la puchera*; in Galicia, *el pote*, and in Madrid, *el cocido*. The common family olla had much cheaper ingredients, but it still constituted the main daily meal, divided into three stages, and was the most common national dish. Dish? I should have said ‘three dishes’; the Spanish used to call it, and still do, *olla with three changes* or *three jolts*. These jolts had so many fans that it gave rise to a saying: “An *olla jolt* is worth more than a maiden’s embrace”. Even the converted Moors became fond of pork in these conditions, as Lope de Vega had one of them say in Act III of *San Diego de Alcalá*:

“The ‘olla’ jolt is a wonderful thing”
Sixty “ollas” a month is the sustenance of a prudent lord, because the “olla”, for lunch and dinner, satisfies people with meat and anything else that is put into it, and a bowl of soup.

The *olla* was a culinary trademark until it was devalued and used cheaper cuts of meat, to metamorphose into the *cocido*. But not before it was exalted by Galdós, who in his description in *Ángel Guerra* of an inn in Toledo, called it “the national olla, a constant companion of our race right through history”. And the unforgettable Juan Valera wrote from Vienna: “All of us in this house miss our country’s *puchero*, Valencian-style rice, cod *a la vizcaina* and even a good bean potage.”

Don Quixote’s olla was *more beef than mutton*. *Salpicón*, which is still a favourite in well-off households, used to be a plain dish and was made with beef left over from the lunchtime olla. Lope de Vega in *Fuenteovejuna*, had country folk say:

LAURENCIA:
*Forsooth, Pascuala,
 Putting a piece of ham on to boil
 In the early morning
 To eat at lunchtime,
 And to have salpicón for supper,
 With oil and pepper,
 And then retiring content
 Resisting temptation
 To say my prayers
 Is worth more
 Than all the guile
 That those scoundrels have
 With their love and persistence*



Another famous dish of the time was *duelos y quebrantos*.

And another famous dish of the time was *duelos y quebrantos*, which according to the first dictionary (1726-39) of the Spanish Academy, was what the people of La Mancha called an omelette of eggs and brains, although a distinguished academic at the end of the 18th century, Juan Antonio Pellicer, took it into his head to say that “it was a custom in some parts of La Mancha for herdsmen to take their masters the animals that had died during the week, or had suffered any other type of accident, and their broken bones and extremities were put into the olla”.

It was obviously a dish that was widely eaten. It was wittily referred to by Lope de Vega in *Las Bizarrias de Belisa*:



“Eating the Spanish way” is to savour the diverse gastronomy of each region.

Left, Calvo tuna.

Below, Sophia Loren, the face of Gallo pasta.

*Lunching on ribs
With their duelos y quebrantos*

This popular, flavoursome cuisine, brought to Madrid by people from La Mancha and introduced to inns and taverns was a long way from the opulence of the baroque cuisine of kings and aristocrats. It was very similar to the cuisine of other regions, which is what makes Spanish cooking so unique.

“Eating the Spanish way” is to savour the diverse gastronomy of each region, replacing the Hapsburg and Bourbon cuisines, so distant from what the ordinary people were able to eat.

Spain has never possessed an unmistakable gastronomic capital. Madrid has been responsible for very few dishes. Spain is a country of regional cooking, or to emphasise this more, almost national cuisine. This peculiarity makes her unique. So she has the most diverse dishes imaginable, from cod *al pil-pil* to vegetable *paella* from Murcia, from Basque-style elvers to the fish and vegetable *coca* from Majorca, from Andalusian *gazpacho* to lobster with chicken and sauce in chocolate, from Asturian bean stew to fish baked in salt from Murcia.

There were moments in time when it seemed that a particular dish might represent the whole of Spain’s gastronomic repertoire, as pasta does with Italy. At a particular moment, Spain might have been represented by the *olla podrida* of the 17th century, cod *a la vizcaina* at the beginning of the 20th century, and later perhaps Valencian *paella*; today it might be the universal handy Andalusian *gazpacho*.

It must be assumed that Alonso Quijano drank wine with his meals, as chapter XI of the first part of *Don Quijote* says that not only was he not a teetotaller, but that he also drank the three glasses of wine prescribed by the popular saying, “whether the meal be poor or fine, always drink three glasses of wine”.

The wine that used to be drunk back then was the thin local brew: unsophisticated, rough, with little to recommend it. La Mancha was Madrid’s wine



BEVERAGES WITH A BRAND

SPAIN IS THE COUNTRY WITH THE biggest extension of vineyards in the world; but it is not the country that produces and sells the most wine.

Fortunately **Torres, Osborne, Marqués de Cáceres** and **J. García Carrión** are trying to change this. “Wines of Spain” are winning awards and are becoming increasingly popular.

But with wine, Spain has an exceptional case. Due to the fact the Champagne in France stopped wines made elsewhere with the same method, “Chamenoise”, from using this name, Spanish *Cava* has become famous.

This “new” product aroused interest. It tasted like champagne; but it was *cava*. This was why it was successful. Thanks to *cava*, **Freixenet**, which exports 80% of its production to over 150 countries, is the world leader in sparkling wine made with the *méthode champenoise*. And **Codorníu**, its neighbour, which has been making wine for 500 years, is its main competitor.

As well as wine and *cava*, two quality names, **Licor 43** in liqueurs, and **Vichy Catalán**, in mineral waters, add special value to the “Spain Brand”. ®

>cooking identified
a place more than
the landscape or
architecture

cellar, and the wines from Valdepeñas that were transported there by cart were stored in vats in the Court. Lope de Vega and Tirso de Molina sang the praises of these wines that were used to wash down cucumber and tomato salads, *rataouilles*, *migas*, broth or flavoursome fricassees. It was distinguished marquises who brought good wine to Spain. Fleeing from the tyranny of Fernando VII, Riscal and Murrieta learnt all about wine-making during their exile in France, and they made Rioja wines at the beginning of the 19th century. All through the 19th century, Rioja wines began to appear on the well-laden tables of royalty and the aristocracy, while on everybody else’s tables, the wines of La Mancha and other regions were still to be found.

The Spanish perestroika

Just twenty years ago, a Spaniard could be blindfolded and tell where a product came from by just tasting the dish of the day in the most popular local tavern. Cooking identified a place more than the landscape or architecture. One of Spanish cuisine’s greatest assets is its regional cooking; traditional dishes, originating from every region, are part of her general basic culture.

Spain has always valued its regional cooking which has saved mealtimes from being subject to fads and whims.

Her regional cooking is made up of thousands of dishes that have been put together over the centuries, in perfect harmony with the land, crops, customs, needs and people. There would have been no Arzak, Santi Santamaría, Manuel de la Osa, or others, without the decisive influence of their families’ cooking traditions.

First, the cuisine of necessity, and then, chance. Behind a good cook there is not only a woman, but also the wise grandmother who is stringent about anything to do with eating.

The Basques and Catalonians have catapulted their excellent cuisine to fame because they are not ashamed of displaying their regional country dishes. This is one of the reasons for their amazing success worldwide. As Carlos Delgado wrote: “Of the regional cuisines, none has made such an impact as Basque cooking, a culinary wonder that has served as an impulse and front line for the rest of Spanish gastronomy.

Here, from a well-established tradition of wide-spread, popular gastronomic good sense, and from social esteem, have emerged a plethora of innovative chefs who have helped to give lustre and splendour to regional cooking”.

A new unstoppable culinary example was emerging. Stylistation, “deconstructive” creativity. The ephemeral, edible foams, were introduced into the *avant-garde*. Two long decades of Spanish democracy witnessed the birth of a civil society that demanded, as well as freedoms, good living.

While the 19th century witnessed the loss of the colonies and generated a dejected and despairing culture among Spain’s intellectuals, the late 20th century and the end of the millennium saw the birth of a society that underwent its own *perestroika*, threw the ballast overboard and rid itself of the vain fundamentalisms that had led the Spanish in previous centuries to civilised confrontations, beating their heads against walls and moving backwards in time.

And so they were part of one of the greatest revolutions of all times, and it took place in their kitchens.

Democracy has vastly improved the material resources of the Spanish. They live better, they eat their fill, and without wishing to return to the arrogant ramblings of Don Quixote, they have one of the best *avant-garde* cuisines in the world.

The impact of chefs such as Ferran Adrià has been tremendous, and regional cooking, particularly Basque, has been transformed, by accepting the challenges

THE FLAVOUR OF BRANDS

of the new millennium. This *nouvelle cuisine*, based on simplicity of preparation, seeks to preserve and highlight the recognisable flavour of regional products, with no need for condiments; it is a search for greatness, authenticity. The bases for the spread of substantial improvements have been the shortening of cooking and roasting times; lightening sauces, so that they are not so rich; and acceptance of dietary needs, sticking to seasonal products, and so on.

Furthermore, thanks to her regional cooking and tapas, Spain has managed to defend herself with dignity against “junk food”. Her distinguished taverns and family restaurants are worthy havens of resistance against food globalisation.

Spain offers a unique style of eating. A traditional culinary culture which has gathered together the basic elements of the Mediterranean form of sustenance: the use of fats that are good for the heart, such as virgin olive oil, an abundance of vegetables, pulses and fruit, and a predominance of fish and shellfish.

The Spanish cuisine of the new millennium, in its most creative manifestation as well as product base, not to mention its regional roots, is based on its strict health-giving properties.

While the 1970s and 1980s were the time of gastronomic renovation, the 1990s and the first few years of the 21st century have been the era of wine, when the Spanish began to banish their wineskins to the attic and some of them began to talk in terms of *Cabernet Sauvignon*, *Syrah* or *Merlot*.

Right now, Spain is the best situated country in Mediterranean culture to become a quality brand image with regard to gastronomy and wine worldwide.

Good wines... but no prestige

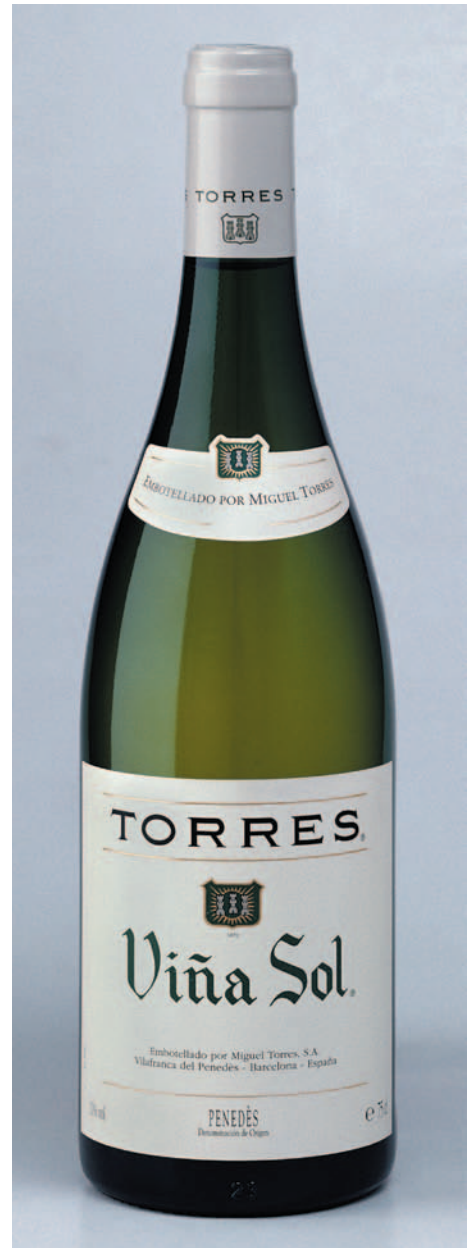
José Peñín, one of the top wine critics, declared in an interview with Efe (November 2004) that Spanish wines needed more commercial muscle to take on the markets and consolidate their presence, above all, in the highest segments of quality. Today Spanish wines have improved in quality considerably, thanks to the modernisation of production structures and the professionalisation of *bodega* staff with highly qualified oenologists. Yet there prestige in the markets has not grown, in spite of the fact that Spanish wines are among the best in the world.

The history of wine consumption in Spain has been particularly interesting in the last two decades. The Spanish have laid aside their somewhat yokelish attitude that favoured the doubtful qualities of the local wines and celebrated their high alcohol content as being a badge of quality.

Today Spain has one of the most modern groups of *bodegas* in the world. Production techniques are constantly improving and the consumer is becoming increasingly more knowledgeable, talking in terms of tannins, varietals and vintages as if he were a distinguished oenologist or a top *sommelier*.

In the 1960s and 1970s, the wines of reference for a small number of Spanish were *Paternina* and *Torres*. They would start with *Banda Azul* and their first attempts at a romantic dinner would be accompanied by a *Viña Sol* or *Viña Esmeralda*.

It was from 1985 onwards —according to Custodio Zamarra, the *sommelier* at the Zalacaín restaurant— that Spain began to experience a revolution with her wines, and today every Spanish region, including those that are most looked down on, might be said to be producing quality wines. But it was in the 1990s that this revolution became evident. “We have experienced”, he goes on to say, “decades of vulgarity, and it will be a long time before overseas customers become aware of the great potential we have, as for many years we have exported ordinary wines and very little was known about the subject”. The wines that were most in demand were *Lope de Heredia*, *Viña Ardan-*



Today Spain has one of the most modern groups of *bodegas* in the world.

From the time it was founded, Marqués de Cáceres has spread to all the world's markets, with wines of great prestige and recognition.



za, Cune, and Ramón Bilbao, long-standing bodegas which had always sold to privileged households. There were five brands that were always seen at weddings, banquets or special events. It should be remembered that until well into the transition period, the dominant wines in the Royal Household were wines from La Mancha (from Valdepeñas to Esquivias).

The wine boom has been helped along by a series of writers such as Carlos Delgado, José Peñín, Andrés Proensa, Fernando Gurucharri and Paz Ivi-

son, *sommeliers* such as Zamorra and oenologists such as Alvaro Palacios, Jesús Flores, Mariano García, and winemakers such as Pepe Rodríguez, Alejandro Fernández or José María from the “Pago de Carroovejas”.

Spain has gone from being an elitist public who were aware of four brands and reckoned they knew everything there was to know, an illit-

erate consumer, full of clichéd ideas, who disdained anything he was ignorant of, to a broad segment of customers, from bankers to showbiz people or elite journalists who can tell one varietal from another and who order *pago* and other cult wines. Once it was the *gourmet* with his five brands, and now it is a different kind of *gourmet* who knows a fine example of each designation of origin.

There is another key factor in the improvement of Spain's wines: technology, which has evolved a great deal. Previously, oenologists had studied little or were being left behind. Oenologists started to arrive from wealthy wine families who had gained experience in new territories and have brought out some excellent *pago* wines.

> Spain is the best situated country in mediterranean culture to become a quality brand image with regard to gastronomy and wine worldwide.



“Pata negra” has become a synonym for the highest quality and is used in colloquial Spanish to denote something sublime, out of the ordinary.

Left, Cinco Jotas hams.

Navidul hams are prepared with top quality raw material.

People like Álvaro Palacios have revolutionised Spanish wines. And there are other major names such as Mariano García, Juan Carlos Lacalle, Miguel Ángel de Gregorio, Javier Ausás, Telmo Rodríguez, and so on.

Foreign oenologists played their part too in the overall improvement in Spanish wine. It was Carlos Falcó, the Marquis of Griñón, who was the first to bring them and provide his wines with superb quality. What has failed up to now has been the marketing.

Carefully-tended vines and top oenologists. The way a vine is looked after married to the wisdom of the oenologists is what produces a quality wine. The star figure today is the oenologist-taster, since the wine may be technically perfect, but it may lack soul.

And above all, in the spreading of information about good wine and this new culture, a key role has been played by a series of publications such as *Sobremesa* or *Club de Gourmets*, and guides such as *Todo Vino*, *Guía Peñín*, *Guía Proensa* and *Guía de Vinos Gourmets*.

Spain needs to emphasise her brand image in three products that make her repertoire unique: *cava*, ham and olive oil.

One of the most wide-ranging customs that her democratic culture has introduced has been the fondness for *cava*, which has crossed over from its regional base to become the essential drink for parties and celebrations. *Cava* and *pacharán* replaced the so-called “legionary drinks”: brandies, anis, liqueur wines, and in the last two decades drinking *cava* has become a genuine ritual for the Spanish.

Until very recently, it has enjoyed excellent health (we do not know as yet about any possible fall in the national market following the verbal excesses of one or two blockheads). We know that sales went up in 2002 (205 million bottles, almost one per cent more than in 2001), the highest figure in her history, except for 1999, when it was over 230 million bottles.



In addition, sales of higher quality *cava* are still going up, with a rise of two percentage points for *brut* (42 per cent of the total) and one percentage point for *extra brut* and *brut nature* (12 per cent); dry *cavas* have not changed a 15 per cent; and the semi-dry *cavas*, with 31 per cent, have gone down three points. There are negative figures, such as the fall in the domestic market for the third year running, although by a mere 0.74 per cent.

This reinforces the need for a new impulse, which should be in terms of quality; diversification, to break the current monotony; prestige and making consumption non-seasonal, as it is concentrated around Christmas time in most markets.

According to figures provided by the Cava Regulatory Council, of the 1,509,127 hectolitres produced in 2000-2001, 778,867 hectolitres were for export and 730,260 for the home market. The latest figures available (2002-2003) show a total marketing of 1,609,860 hectolitres, of which 870,240 were for export.

The Freixenet Group is the world leader in the *méthode champenoise* or traditional sparkling wine sector. It is also leader in the *cava* sector, which accounts for 80% of its exports, with a presence in over 150 countries. An example to follow in a company which has been exporting since 1861. Its Carta Nevada label is the absolute leader in the Spanish and German markets—the latter being the first market in the world for sparkling wines—while the Cordón Negro label is the leader in the US market.

Exports have risen by 100 per cent in the last six years. Its main export markets are Germany (with over 60 million bottles), the United States (12 million) and Great Britain (ten million). In 2001, Freixenet's international sales overtook the total champagne exports.



The Freixenet Group is the world leader in the *méthode champenoise* or traditional sparkling wine sector.

The Iberian pig: Spanish-style delicatessen.

Rooted in Spanish culture for centuries, the process for curing and preparing ham and its tasting ritual provide a delicious ingredient that is to be found in many traditional Mediterranean dishes.

Hams from Jabugo, Guijuelo, Extremadura and Teruel, among other regions, are products that are full of flavour and typical of the Spanish diet. “Pata negra” has become a synonym for the highest quality and is used in colloquial Spanish to denote something sublime, out of the ordinary.

More than the bull, the pig is Spain's signature animal. Her literature abounds with examples in which it is treated sympathetically. It is clear that Spanish pork butchery, the art of preparing cured products and salting and curing hams, is a gastronomic legacy that has survived the many diverse vicissitudes of a controversial background.

THE COUNTRY OF HAM AND CURED MEATS

A HAM, CHORIZO OR SPICED sausage sandwich; with a drizzle of olive oil might seem to many in Spain to be a “stand-up snack” that is too popular. And yet it is a veritable delicacy.

Cinco Jotas, Campofrío, Navidul, El Pozo, and Revilla are some of the

names that come to mind when one thinks of a good example of these snacks.

But the job begins with the selection of the best raw material, the pure-bred Iberian pig. Several centuries of breeding have achieved this thanks also to careful feeding based on acorns.

Then comes a slow painstaking skilled curing process. Each phase has its own process and time-scale. In the case of ham, this would be the natural drying of the joints and finally a maturing process that can last up to 3 years.

It is not surprising that Joël

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Pork and ham served in previous times to legitimise the identity of Christians. “More have been converted to Christianity by ham than by the Inquisition”, and as Américo Castro states in his book *Cervantes y los casticismos españoles*, the consumption of pork and its by-products was the best passport for a foreigner who wanted to remove any shadow of doubt regarding the orthodoxy of his dogmas and convictions.

The great oak forests of Jerez de los Caballeros and Fregenal de la Sierra in Badajoz, the pastures of Montánchez in Cáceres, the valley of los Pedroches in Córdoba, the mountains of Ronda, Seville and Huelva, the fields of Salamanca and, to a lesser extent, a thin strip of the provinces of Segovia, Ávila, Toledo, Ciudad Real, Jaén and Granada, supply the prized raw material—the Iberian fatty gold—which goes into the preparation of the best hams in the world.

Around all this revolves a selective farming, which bases its *raison d’être* on an absolute interdependence between the animal and its environment, a method which provides exceptionally delicious aromas to the meat.

Almost certainly, the brilliant hams from Rute praised Miguel de Cervantes in his exemplary novel *El casamiento engañoso*, the hams from Arcena that impressed Baltasar Gracián, the vintage hams that the friars of the monastery of Guadalupe presented to Felipe II as a gift, and even the Montánchez hams that Prosper Mérimée devoted himself to praising in France in the mid-19th century, would all have been cured in a different way than they are today.

Spanish hams were celebrated as far back as Roman times. A poem by Martial alludes to them: “From the country of the Cerretani or the Manopiani, bring me a ham, and the gluttons may stuff themselves on sirloin”.

Imagination was responsible for the eco-system of the pastures, provided the link between the pig and the acorn and gave rise to flavours that had been unknown until then in other pig breeds. The writer Ignacio Medina refers to ham as one of the luxury rites of the enthusiastic gastronome. Something genuinely Spanish.

The “uncorking” of an Iberian ham is a sacramental, almost liturgical, ritual. A select piece, when sliced, has a large number of fatty streaks with a colour that is between pink and dark red, depending on how long it has been aged. On the palate, its meat, unctuous and fragrant, slides in the mouth, leaving behind an aftertaste full of delicately exquisite aromas.

A luxury ham should not be eaten or tested fresh out of the *bodega*. It is essential that it “breathes” for a couple of days, until it reaches an internal temperature of 23°C to 25°C.

Robuchon, almost certainly the best chef in the world, has a clear preference for Spanish ham and cured products. This is why, despite import restrictions, they were one of the fondest memories for top gourmets when they visited Spain.

Today, fortunately, they can be tried in most of the Michelin Guide restaurants and bought in the best delicatessens in the major capitals of the world.

In short, these are products that make the “Spain Brand” a brand for epicures. 🍷





Borges, the leading Spanish exporter of bottled olive oil, with an active presence in over one hundred countries worldwide.

Carved by hand, by a genuine expert, the ritual becomes a sacrament. It should be remembered that it will never be possible to buy a good ham for a bargain price. Just like precious metals, Iberian hams —whether they are fed on acorns or fodder— have quoted prices that fluctuate between relatively short margins.

A thousand-year-old culture: the olive tree

The image of Spanish olive oil is undergoing an unprecedented boom. In gourmet shops and specialist outlets, in supermarket chains the world over, Spanish brands provide a measure of alimentary luxury.

Glass bottles of carefully-selected design, many of them backed up by labels showing their respective designation of origin, with an indication of where they came from. Pure oils, perfectly made, the luxury and ritual of the great kitchens, which are seen as an essential pillar of this cuisine of the future, which addresses the health of the human body as well as the pleasures of the palate.

The olive oil universe, with Spain among the leaders, is going through times of growing splendour, with brands such as Carbonell, the best-selling oil in the world which has a presence in over seventy countries spread over the five con-

>the image of
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tinents, and Borges, the leading Spanish exporter of bottled olive oil, with an active presence in over one hundred countries worldwide.

A good Spain brand

A country with thousands of years of history with an impressive heritage and a momentous culture has in the olive a priceless icon. It figured in the origin of old legends, in the gestation of ancient symbolisms and in the roots of Mediterranean mythology. The cookery book by Apicius, *De re coquinaria*, dating from the first century of the Common Era, repeatedly refers to the oil of Hispania.

Wild olives or *acebuches* had existed in the Iberian peninsula from distant times, according to archaeological discoveries from the Eneolithic period.

In Roman times, olive groves came to be so identified with the landscapes of Hispania that the Emperor Hadrian introduced the olive branch as an allegory and symbol for this important Imperial province.

Although the Phoenicians or the Greeks introduced the tree of Minerva into Spain, and the Romans expanded its cultivation, it has to be admitted that it was the Arabs who perfected the techniques for obtaining the oil.

Gonzalo de Berceo, a contemporary of Alfonso X, in his poem, *Vida de Santa Oria*, described the view of a landscape in La Rioja thus:

*I see round the mountain a vast expanse,
Of stout olive trees
Heavily-laden with olives a-plenty,
Enough to feed a man to satiety”*

Much later, another excellent writer, Josep Plá, was to write lovingly of olive trees:

However insensitive a man might be to botany, it seems that an olive grove imposes on the human spirit a desire for order, mental delight and calm.

Studies on the Spain Brand emphasise the absence of an image for Spanish products. Spain is seen as having low-cost agroalimentary products.

In this respect, it is in contrast to the perception of design in consumer goods from Italy, quality industry and technology from Germany, or quality services from the United States.

Spain has shown little skill and immense slackness in exploiting her “designations of origin” internationally, unlike the much more skilful and effective French and Italians. Agroalimentary products from Spain are still very badly identified, as is the case with Huelva strawberries, and “pata negra” ham, incomparably better, but less appreciated than, for example, the Italian Parma ham, or what is even more unjust, French Bayonne ham.

Spain is currently the country that devotes most effort to promoting its tourist image in the world, with a clear leadership in the creation of a tourism image.

The strengths of this image are undeniably her beaches, climate and service. The weaknesses are aspects linked to culture and gastronomy.

In this respect, the challenge for the future will be for Spain to position herself as a quality destination, to compete with other destinations and thus improve her ranking as far as the concept of prestige is concerned.

Spain is unbeatable in terms of value for money. She could be paradise for the world’s upper-middle classes.



Carbonell, the best-selling oil in the world which has a presence in over seventy countries spread over the five continents.

SPANISH OLIVE OIL



SPAIN IS NOT ONLY ONE OF THE big producers, but the biggest producer of olive oil in the world. She alone provides half the world's consumption of olive oil. Italy imports from Spain more olive oil than she exports anywhere else. Yet it is the Italian producers who appear as leaders in the sector. The best-selling brand in the world is not Spanish, but Italian. With regard to the quality of one or the other, there is no debate: they are both good; although certain varieties of the marvellous Spanish olives are coming to the fore. This injustice must be stopped! The first thing to do is to tell the world the

For example, her three-star Michelin restaurants cost half their French counterparts. Her wines, one third of quality European wines. Spain is the world leader today in Mankind Heritage sites. She has the second most important language in the world.

She needs to give a unified image (in its variety) of her gastronomy. Plural, varied and regional.

There is no such term as “Spanish gastronomy” because the bulk of the image is borne by Catalanian and Basque cuisine. Efforts must be made to put an end to this situation. It makes little sense to establish regional brands in competition with Spanish brands. What needs to be sold is an all-embracing image that emphasises the variety of her gastronomy with products that are part of the so-called luxury rituals: ham, oil and *cava*.

A good strategy would be to support the leaders in this sector who are well-positioned in the market (Borges, Campofrío, Carbonell, Cinco Jotas, Codorníu, Don Simón, Freixenet, Pastas Gallo, La Española, Marqués de Cáceres, etc.). Perhaps it would be a good idea to reverse the institutional trend of giving everyone an equal opportunity; perhaps the strategy should be to support the leaders of each sector, to exploit the potential driving force of certain brands.

The variety of Spain's gastronomy (one, a fascinating, revolutionary *nouvelle cuisine*, the other a long-established *cuisine* with traditional flavours) enables her to sell a multi-brand image that takes in the 'Adrià phenomenon' as well as suckling pig from Segovia.

She should follow the example of France. This country gives institutional support to any presentation of a French product outside her frontiers. Her embassies are perfect stages to publicise the fact that *Le Beaujolais Nouveau est arrivé* or to present a new Renault model.

truth. Spain is the undisputed leader. And this is not a situation that is only recent, because as far back as Roman times, vast numbers of vessels full of Spanish oil left the port of Cadiz for the capital of the Empire. It is said that a large part of the seventh hill of Rome is a consequence of these vessels.

However, it would be difficult to construct a unique brand to displace the Italian brand, which is the one most asked for today. Yet if all the Spanish brands were to use a symbol of reference and boasted and emphasised their origin, the situation would change. A symbol

with the legend “100% Olive oil from Spain” on all receptacles that contained 100% Spanish olive oil, whatever the brand, and Spain would figure in a vast number of shop windows everywhere in the world.

Borges, Carbonell and La Española are making an effort. These brands are “getting their act together” and turning “Spanish Olive Oil” into a reference brand for consumers, which is going to force distributors to give them a highly visible position on the shelves. This will be another major contribution to the “Spain Brand”. ®

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Esther Eiros



WITHOUT FEAR OF CONTRADICTION, TOURISM MAY BE DESCRIBED AS A gigant which, despite the changes it has undergone in the last four years (after 9/11), has managed to keep going and even grow beyond the expectations of the World Tourism Organisation (wto). In 2004, in spite of the tsunami disaster, tourism catered for 760 million international travellers (10% more than in 2003). Indeed, according to the wto in a press conference held at the beginning of February in Bangkok, the biggest growth was recorded in the Asian-Pacific region, with 29%, followed by the Middle East with 21%. This is in contrast with Europe, which saw a growth below the world average, 4%, amounting to 414 million international tourist arrivals. The area with the smallest growth (2%) was Southern Europe, due firstly to the competition from Central Europe, and secondly from North African destinations, such as Tunisia, Morocco and Egypt. Once again, the figures are higher than 2003, but that does not mean that Spain should stop thinking about the road to follow in order for her to maintain her position as the destination with the

second highest number of visits in a year (although ideally, this second position would refer to tourism earnings). To achieve this, she needs to revalue something unique: her broad and valuable cultural heritage which is mostly represented by a group of Mankind Heritage cities who are working to promote themselves in and out of Spain.

Spain, a brand destination

She needs to remember that until this year, Spain was the country with the most Mankind Heritage sites in the world. Almost without realising it, the Spanish keep repeating the chorus that they must compete with absolute quality. Quality in the product and service is not just a few establishments given the “Q” for Quality; proper quality in a product such as tourism —encompassing a series of services which, in the final analysis constitute a whole— needs to make a traveller arriving in Spain to enjoy his holidays, after which he not only goes back



Spain needs to revalue her broad, valuable cultural heritage, which is mostly represented by a group of Mankind Heritage cities.
The old part of the city of Cuenca.



satisfied to his country of origin but also recommends his holiday to family and friends. This is what is known as loyalty-building, a word the Spanish have learnt but do not really know how to achieve (or only a few know how to do so), since everybody else reckons that the quality label cannot be attributed to tourism services but only de luxe four- and five-star establishments. Spain's image begins to form in a visitor's mind the minute he lands at one of her many airports (if he is flying), or the moment he sets eyes on the sign saying "Spain" if he uses some other type of transport.

It is true to say that Spain has, as well as her Heritage, plenty of varied options for tourists that match the demand of 21st-century travellers: she has a unique selection of nature, activity and nautical holidays. In this respect, she has 16 watersports centres which, like the group of Mankind Heritage cities, are constantly striving to make themselves known and meet the requirements of any family, however varied their travelling habits are. She can also offer spas, sun and sand, snow, and above all, gastronomy, an obvious complement for anyone who chooses "Spain" as a destination. It is precisely the gastronomic aspect that gives a clear example of what should be done to acquire excellence in a sector which, in recent years, has researched and travelled beyond her frontiers, leaving Spain in a good light everywhere. Not only her classic chefs, but also a new generation of young chefs who, taking up the baton passed on to them by a generation of master chefs, are making their mark on the pages of the history of Spanish gastronomy.

We might continue listing the wealth that is provided by Spain, beginning with the Cantabrian Mountains, which constitute the "Green Spain" brand

Spain's image begins to form in a visitor's mind the minute he lands at one of her many airports.

and which, in spite of the demand from both inside and outside Spain, have not yet managed to find a way of making them known to the end-consumer. I would like here to add my support to those who feel that this and other types of products should be promoted not only outside but also inside Spain; something which for some time has been realised —successfully— by some of her Autonomous Communities. In fact, it is well known that during the last two years, internal tourism has save Spain from a drop in tourism from other European markets who have been abandoning her for other emerging tourist destinations.

Therefore, as well as working for quality in itself, it should also be done through promotion; a word which still seems magical to me. I do not think this promotion should be carried out separately by the State and the brands. There is strength in unity, as has been shown by certain countries who are getting together to achieve a greater promotional and image impact. There are a thousand and one ways to promote and any that deal with Spain's culture, traditions and, especially, her heritage are valid. The growing demand for cultural tourism has made Spain one of the most sought after destinations in the world. By way of example, it is worth mentioning the acceptance of the Ages of Man Exhibition held in New York, or the Expo Aichi 2005 Fair, with Spain exhibiting her cultural tourism.

If we concentrate on the Spanish brands that are helping to sell Spain as a tourist destination outside her frontiers, we do not have to go back very far, as it was not until 1996 and 1997 that the Spanish tourist industry really started to go inter-

SPAIN: A TOURISM BRAND



A BRAND IS THE NAME BY WHICH anyone who wants something asks for it or who know it, recommend it. Thus the “Country Brand” is a name which can be used to decide or recommend a country to invest in. But not to ask for or recommend a specific product of Spanish origin. One may talk of Spanish wines, but in the end, in order to drink one, it will be necessary to ask for a specific one. In other words, with products or services, the country is a general reference.

Now, as far as tourism is concerned, there is no doubt whatsoever that Spain is a specific brand, highly thought of for years. The second half of the 20th century, beginning with the “Spain is different” slogan saw the building of a highly positive perception in the minds of many international travellers with

regard to the “Spain Brand” as a tourist destination. This name not only distinguishes the “product” from similar ones, but has “branded with fire” a distinguishing and preferential reference in the minds of anybody who has ever been there.

There are many aspects that may be debated about regarding what Spain is or isn't, what should or should not be transmitted. What there is no doubt about is that Spain is one of the most sought after “tourist products”. And a good product is not only one that meets all the technical specifications that should be met, it is also one that has positioned itself as being more attractive and satisfying than other similar “products” available. 54 million visitors a year answer for the “Spain Brand” as one of the most recognised and famous brands worldwide. ®



It was not until 1996 and 1997 that the Spanish tourist industry really started to go international

national, with the building in just one year of over one hundred hotels abroad; not included here are companies such as Iberia and Paradores de Turismo who, as public companies, took part in all the campaigns and events run by Turespaña. Today, we are seeing the reappearance of *ad hoc* agreements for the promotion of Autonomous Communities and tourist products, under the auspices of the Spanish foreign promotional body, Turespaña.

It is not a question of saying that there is still a long way to go, as, with regard to tourism, a lot of good work has been done on numerous occasions. Recently, the Prince of Asturias emphasised the modern, external image of Spain for her “enviable quality of life and high rate of development and technological capacity”. In my opinion, what concerns me is that, of the best known Spanish brands in the world, only half a dozen belong to the tourist sector. The leadership mentioned at the beginning of this chapter needs to be reaffirmed by its large and small tourism companies who, in the final analysis, are the ones that are helping to enhance Spain’s image abroad. Spain must prove that she is somewhat more than a sunny beach destination, and to do so, she must keep on working, with a smile preferably.

Tourism, the driving force for the image of Spain

The tourist sector is influenced by everything when assessing the image a tourist has, brings or takes away from a country. Travel is an emotional experience. In other words, we buy experiences or fulfil a dream: we idealise it and therefore satisfying a tourist is an ordeal by fire for a country and its companies: only I know what I have in mind, how I would like the trip to turn out, what I expect from my long-awaited holidays. From the moment a tourist sets out from his country to the time he returns, he passes through many hands (travel agencies, means of transport, accommodation establishments, leisure activities, and so on) and a bad experience in just one of these would be responsible for what he says about Spain to his family and friends.

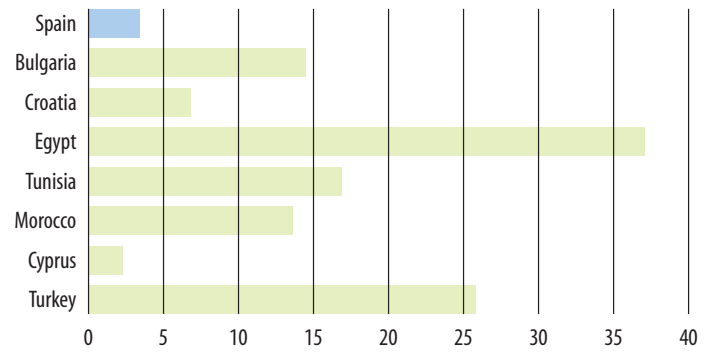
Spain received 53.6 million foreign tourists in 2004, 3.4% more than in 2003 according to Frontur ¹, reaching a new record figure in international arrivals and becoming, for another year, the world’s second tourist destination (total earnings are set to top 37,000 million euros, and so will not grow at the same

Diagram 1. Number of tourist arrivals in Spain and annual variation



Source: Exceltur based on data from IET

Diagram 2. Spain compared to emerging Mediterranean destinations. % accumulated 2004–2003 growth up to November, except Egypt and Morocco (to September) and Croatia (to October).



Source: Exceltur based on data from IET and INE

rate as the number of arrivals). These figures, as well as showing Spain’s capacity for response and reception, are also a sign of a leadership that reveals the specific weight this sector has when projecting the Spain brand at home and abroad, as it is impossible to separate the country brand image from its image as a tourist destination. And it is the tourist companies, big and small, and the people working in them who, in their direct contact with the tourist, and through their implantation abroad, are enhancing the country image. Tourism is Spain’s first industry; it provides 11.4% of the GDP, creates over 1,600,000 direct jobs and is, in many of her Autonomous Communities, the main source of earnings. But above all, in terms of assessing the influence of this sector on her external image, Spain is the favourite destination for Europeans.

By destination, Catalonia heads the ranking of number of foreign tourist arrivals (12.8 million tourists), followed by the Canary Islands (10.1 million), the Balearic Islands (9.8 million), Andalusia (7.6 million), Valencia (4.9 million) and Madrid (3.4 million). The “sun and sand” destinations are still the most sought after, as can be seen by the fact that 90.9% of overnight hotel stays² by foreigners in the period between 1999 and 2004 were in Mediterranean and Canary Island destinations, as opposed to 9.1% in inland destinations and the Cantabrian area.

The United Kingdom, Germany and France accounted for 62% of arrivals in Spain in 2004, with increases of 2.9% and 2.7% respectively for the first two, and a drop of 2% for the third.

Thus, it seems obvious that Spain’s image abroad is transmitted through these millions of tourists who act as a sounding board and constitute the biggest advertising campaign a country could ever want.

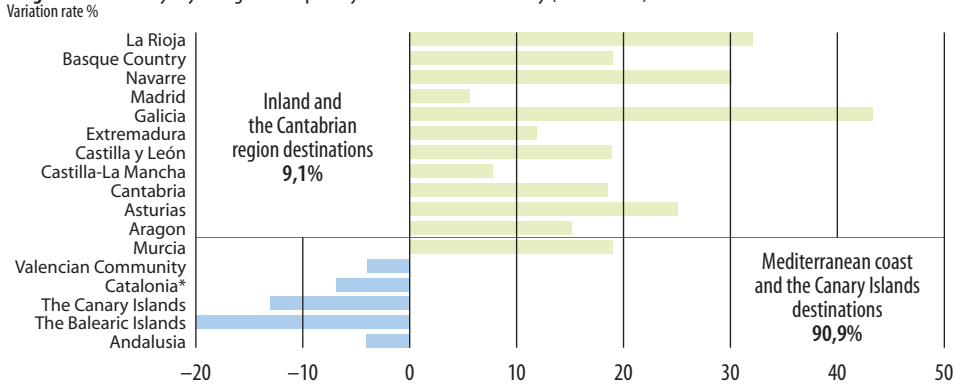
But the Spanish are also great ambassadors for their country. Trips abroad by Spanish people grew 15.7% in the first nine months of 2004, almost four times as much as internal trips (an increase of 3.6%). Their improved income level and the strength of the euro against the dollar are the main reasons for this trend: the improved life quality and the image generated abroad by citizens of a modern, advanced country are, indirectly, elements that help to create a country image.

As well as the sun and sand, Spain’s language —lingual tourism— and culture are key elements for projecting her external image: she needs to exploit her historical and architectural heritage. Great steps forward have been taken with the implementation of new routes such as the Santiago Way, Mankind Heritage cities, the network of Jewish quarters, the Castilian Language tour,

> **catalonia heads**
the ranking of
number of
foreign tourist
arrivals

SPAIN, a BRAND DESTINATION

Diagram 3. Hotel stays by foreigners in Spain by Autonomous Community (1999–2004).



Source: ECH, INE. *Excluding the city of Barcelona.

as well as the celebration of major cultural events, such as the Gaudí Year or the four hundredth anniversary of the publication of *Don Quixote*. All this, plus the promotional work that is being done is helping Spain to gradually make the most of her historical and cultural legacy.

Realising the true value of her heritage is another plus mark for Spain's image: it is a further example of an advanced, culturally-aware country that respects, preserves and makes use of her heritage.

This is because Spain is diversity and contrast, history, cultural values. She is rich in experiences that are beginning to interest not only the Spanish themselves, but also the foreign visitors who are in search of authenticity and identity, more than sun and sand, or maybe as well as sun and sand. They choose Spain. And Spain is variety.

But it is not all good news for tourism in Spain: although she is a leader with regard to sun and sand —80% of her attractions— Spain cannot compete in price and needs to offer added value to a tourist who, for price alone, will choose other destinations where he can find a sun lounger to occupy. This is why it is important to emphasise her heritage, increase accommodation, open people's eyes to the wealth of the country, be different. These are key factors for Spain to maintain her position as a leading destination and project the country image.

This is because, despite having received 1.8 million tourists more in 2004, once again countries in the Mediterranean area are winning market share. If the year finishes with the same growth rates as those experienced up to November, Turkey, Egypt, Croatia, Bulgaria, Tunisia, Morocco, Malta and Cyprus will have received a total of 54.1 million tourists, an increase of 9.5 million over 2003³.

Spain has many advantages: she is part of Europe, she has good infrastructures, her health system is respected, the perception of security is good—in spite of campaigns against tourism interests perpetrated by certain terrorist groups— her way of life and happy spirit are particularly highly valued, and above all, Spain and her businesses have the ability to adapt to a tourist's needs. A tourist who registers a degree of satisfaction of 90 per cent with aspects such as infrastructures and public services, accommodation quality, public security and gastronomy.

But Spain also has another big advantage: the global image abroad and the specific weight of Miró's Sun.

This is because 75% of Europeans recognise and identify Spain with Miró's logo, used in campaigns run by the Spanish Tourism Institute (Turespaña).



75% of Europeans recognise and identify Spain with Miró's logo.



Spain is diversity and contrast.

Tourists mention the Spanish creative character, their pleasantness, the modernness of the country, the security it offers as a tourist destination and its drive for innovation. They are very loyal as well: 75% of the tourists who visited Spain in 2003 had been there four or more times before⁴.

The 1980s saw the launching of the “Everything under the sun” slogan, and to accompany it, Miró’s Sun was used as a logo. It was a way of telling the people in the north of Europe that Spain had something that they were longing for: sun and good weather. And we said that in a fun, different and very Spanish way. Everything was going well until other countries began to do what Spain was doing – exploiting their climate. The countries in the Mediterranean arch began to become competitors and, with the 1990s, came the moment for Spain to exploit another of her attributes: merriment. This gave rise to the “Passion for life” slogan. The 2005 campaign is along the same lines: “Smile, you are in Spain”.

What is evident is that the tourism sector and a whole group of small companies linked to it do not live by campaigns alone. With just promotion it would be difficult to maintain the attraction. Tourism, Spain’s capacity for welcome and service, has helped many communities and small localities see their socio-economic situation change in a short time.

This is because tourism is an activity with one of the best perspectives for the future, and its importance lies not only in the economic benefits it can provide, but also, in particular, the social benefits. When we travel, we become aware of, come close to and witness environmental, cultural and social problems. Tourism can clearly help to achieve peace, promote international cooperation and become a driving force to help reduce poverty with the creation of small companies and jobs.

Tourism companies are aware of their role as generators of wealth and prosperity in the areas they are to be found in. Slowly, in some cases, and more resolutely in others, the Spanish sector is beginning to look at these areas and their inhabitants: social action —helping less fortunate collectives— and concern for the environment are beginning to find themselves on their agendas, and even in the organigrams of the main companies.

The public —including the stakeholders, the travel companies selling Spain— not only call for better and more complete tourism services and infrastructures; they are beginning to send out messages regarding the importance of protecting and preserving Spain’s character, identity, natural and cultural resources and, most importantly, of showing solidarity with the less-favoured collectives, so that they too have opportunities to improve their lot. This is the triple bottom line: social, environmental and financial (and a decision to buy may be based on either of the first two aspects).

But the socio-economic profitability of Spanish tourism is at risk: The “Tourism Perspectives” report, drawn up by Exceltur, warns of a reduction in average spending per foreign tourist —according to the report’s estimates, for 2004 it will have been reduced by 2.3%, meaning 16 euros less per tourist as against the average spending in 2003. This analysis of the dynamics of average spending per tourist reflects the fact that the Spanish tourism model is based on a volume growth strategy, with all the risks that this entails for future development.

For this reason, if the Spanish tourism sector is to continue being the cornerstone of socio-economic growth, in a sustainable and co-responsible manner, it is essential that it adapts, renovates, thinks about and designs the kind of tourism Spain wants. As market leader, she has to champion solutions and proposals for a new type of tourist.

There have been some voices that, since the beginning of this century, have been calling for a change, a new form of tourism. It is true that there are some areas on the Spanish coasts and islands where development saturation and lack of space are causing an image problem, and some destinations are now being rejected by the major travel companies when deciding what to put in their brochures. These are destinations that in the 1960s were pioneers, and which today need a complete overhaul in order to adapt to the new demands of the tourist.

Spanish tourism companies abroad

I have always thought that the country image, the destination image and the influence of brands feed off each other. It is clear that company brands, like the Spain Brand, encompass the set of tourism products that Spain offers visitors, but at the same time, they serve to reinforce the image of Spain as seen by foreign consumers and travel companies. This is why it is very important to promote the brands, as they are an extra element of enticement to what Spain has to offer in the way of tourism which directly serves to enhance her

INTEGRATING DIVERSITY

THE FACT IS THAT SPAIN IS THE result of the coexistence and integration of various cultures, particularly Christian, Moslem and Jewish. In addition, it is the conglomeration of thousands of towns and villages who have integrated into communities, preserving their historical singularities and their own character. A reality that those who visit Spain are aware of and admire.

Driving down from the Pyrenees to Cadiz guarantees a wide range of landscapes, architectural features and gastronomical styles, all the while giving a sensation of being part

of a unit. This is something that very few European countries can offer.

And this diversity has been exported. Anywhere there is a large Spanish community abroad, the rainbow of individualities to be found in Spain has been reproduced. In almost any Latin American country there are at least as many clubs or centres as there are Autonomous Communities in Spain. They all have something in common, although they maintain and promote their own characteristics, from the patron saint to the gastronomy, reinforced with their common origin. Everyone is, and wants to be, Spanish!



If a commission were to be paid to the “sellers” of the “Spain Brand” in tourism, almost certainly most of the budget would be taken up by international transfers. ®



**Unless Spain has strong companies, she could become a satellite of the "big boys" in world tourism.
 Barceló is one of the main European tour operators**

projection as a quality world tourist destination. The question is discovering why, despite Spain's obvious leadership in tourism, the presence of her companies in this sector abroad is so scattered and scarce.

It is obvious that it is necessary to step up the promotion of Spanish tourism in the world if the aim is to establish and enhance one of the main pillars of the Spanish economy. The risk lies, if she does not have strong, well-established companies, in falling victim to globalisation and becoming satellites of the "big boys" in world tourism.

In addition, if Spain wishes to have a say in the decisions of the major groups controlling tourist traffic, especially in the principal European markets sending tourists to Spain (the tour operators), her companies should have a stake in them. Thus Spanish hotel groups reckon that forming alliances with the major European tour operators is a good way of ensuring European tourists. In this respect, it is worth mentioning the incorporation, in December 2004, of Riu and the Matutes Group into the capital of TUI. In addition, the Barceló Group from Majorca took a 22% stake in the British firm, First Choice. The Iberostar group has an agreement with Thomas Cook, and the hotel network, Hotetur, another one with the tour operator, My Travel.

The presence of the major Spanish tourism brands —particularly hotel chains such as Sol Meliá, Riu and Barceló— is firmly entrenched internationally and is concentrated basically in Latin America and the Caribbean, a natural market for Spanish companies. It should be remembered that Spain is the second biggest investor in Latin America, with almost half the total investment of EU countries as a whole and, in this context, Spanish hotels in Latin America account for 44% of Spanish hotel places abroad, with over 200 Spanish hotels in this area and over 90% in South America. One aspect I would like to emphasise is that Spanish foreign investment in tourism is not speculative. Over the years it has been made sufficiently clear that, in particular, the hotel sector has contributed to the development of major destinations such as Cuba, the Dominican Republic or the Caribbean Riviera in Mexico. Nobody can deny today that these investments are of a stable nature and are consid-

SPAIN, a BRAND DESTINATION

ered strategic by the major Spanish multinational hotel groups. This, without any doubt, is what distinguishes Spanish companies from those of other countries who have come on the scene later, and as soon as they experience a problem, they have disappeared.

I would also like to emphasise the fact that, while all the Spanish tourism companies mentioned have interests in destinations that might be interpreted as being competitors of Spain —except the Paradores who operate exclusively in Spain— the really important thing is that their presence abroad is a very clever way of ensuring the continuity of tourist circuits. If a customer gets good service in a Spanish hotel in another country, he will be predisposed to put up in the same chain in Spain, and in his subconscious, the Spanish destination will be synonymous with quality and excellence.

Finally, it is worth mentioning that these Spanish companies, as well as belonging to the tourism sector, share the objective of keeping a permanent eye out for the opportunities offered by the market, the new trends and changes in habits of travellers, with the aim of having a presence wherever it is necessary and there is a future. And given that the foreign projection of these tourism brands undeniably act as a shop window for Spain and her tourism resources, I feel it is necessary to examine in more detail the origin of these companies and their current presence in tourism generating markets.

Barceló

Barceló Hotels & Resorts is the brand name of one of the thirty biggest hotel chains in the world as far as number of rooms is concerned. The story of its origin is interesting, as it started out as a company linked to transportation. In 1931, Simón Barceló founded Autocares Barceló in Felanitx (Majorca). Having started out as a company devoted to passenger road transport, it began extending its activity, firstly into the travel agency sector and then the hotel sector. Barceló opened its first hotel in 1962 in Majorca.

Subsequently, the chain began to expand in the neighbouring islands of Menorca and Ibiza, and then to the Levante, Canary Islands, and later, the American continent.

>the country image,
the destination image and
the influence of brands feed
off each other




Tourism investment abroad has helped the development of major destinations such as Cuba, the Dominican Republic and the Caribbean Riviera in Mexico.

CUSTOMERS COME TO SHOP

FIFTY-FOUR MILLION PEOPLE GO there and sleep, eat and wander around consuming Spanish “products” in situ. But there is a need for a major promotion campaign for “take-away” products. If every tourist could be persuaded to take home with him merchandise worth 100 euros, exports would go up by almost 5%. No complications and guaranteed payment.

El Corte Inglés manages it! It is one of the most international

Spanish companies that never leaves Spain. Its 65 outlets receive many tourists who have made El Corte Inglés one of their indispensable visits. A visit on any day of the week to the Madrid, Barcelona or Puerto Banús outlets will confirm this. El Corte Inglés is a phenomenon worthy of study. Without internationalising its infrastructure, it has become one of the recognised global brands that has contributed most to the value of the “Spain Brand” 



Barceló currently operates 113 hotels in 15 countries, with over 28,200 rooms, owned either by the company or administered under a lease or franchise scheme. The company, a major shareholder in one of the top British tourism groups, First Choice Holidays, is suitably diversified as it has a presence in the holiday sector as well as city and business hotels sector.

Included in its development plans for the three-year period 2005-2007 is the opening of hotels in Bulgaria, Poland, Morocco, Germany, Cuba, Mexico and the United States. However, there is no doubt that one of the strategic elements of its growth plan is the cities of Europe and the United States.

Barceló is confirmation of the fact that the presence of tourism brands abroad – in this case, the Mediterranean, Caribbean, Europe and the United States – help tourism generating markets such as Germany, the United Kingdom, Italy, Canada and the United States (the principal markets of this hotel group) to recognise the quality segment in which this chain, as well as all the other companies, is working to adapt to the current complex reality of the sector,

while at the same time being aware of Spain as a major destination.

>the presence of tourist brands
abroad helps the quality
segment that **Spain** is working on
to be recognised

El Corte Inglés

This is one of the top business groups in Spain. Its companies currently form a dynamic, productive structure which has made quality and service its watchword.

One of the companies in this group is Viajes El Corte Inglés, which started

up in 1969. It was set up to meet the business travel requirements of El Corte Inglés Group’s departments and companies. After some time, Viajes El Corte Inglés extended its sales potential to all its customers, to make available to them a new range of travel services; but always with the same philosophy as that of the mother group: the maximum attention to service, quality and guarantee.

The first Viajes El Corte Inglés agencies were installed in the company’s outlets, but as demand grew, off-site delegations were opened. The travel division currently has 563 points of sale distributed over all the provinces in Spain and 44 in Portugal, France, the United States, Cuba, Chile and Mexico.

SPAIN, a BRAND DESTINATION

Without any doubt, the future for the group and its travel companies lies in its international expansion. The demand from Spanish companies located in large commercial, industrial and tourist cities is helping to promote this international division. However, as of today, there is still much to be done, at least for Viajes El Corte Inglés, as it devotes itself more to the seller than the buyer, but there is no doubt that the biggest distributor in Spain will be able to adapt itself to the constant changes in today's society, and will not hesitate to open up in new markets and geographical areas.

Until that time arrives, it is true to say that El Corte Inglés is helping Spain's presence abroad, and does so, for example, by giving advice and administering reservations by foreign travellers, tour operators and multinational companies who travel to Spain.

Iberia

It seems quite obvious that tourism and transport are inseparable. If one talks of air transport in Spain, one is unmistakably talking about Iberia. The airline has had an uninterrupted presence on the market, which is why it is hardly surprising that it is currently one of the ten most recognised Spanish brands abroad, according to a report, *Made in Spain / Hecho en España: La imagen de España y sus marcas en el mundo* (Spain image and her brands in the world), drawn up by the Leading Brands of Spain Forum.

The origin of Iberia, Compañía Aérea de Transportes, goes back to 28th June 1927, thanks to the initiative of Horacio Echevarrieta, a businessman from Guecho. From the outset, the Spanish airline was known for its innovative character. It was the country's first airline and the first to fly between Europe and South America after the Second World War, back in 1946, undoubtedly a foretaste of its leadership in the Europe-Latin America market, and opening the way for routes to the new continent. It was also the first airline to operate the Madrid-Barcelona shuttle service and introduce an international frequent-flyer scheme.

Thus, it is hardly surprising that today Iberia is the leading passenger transport company in the Spanish market, owning over 200 modern aircraft and



Left, a Cirsa casino. Cirsa is the only company in the world covering the whole spectrum of the leisure and gaming sectors.



Iberia has helped to create a modern image of Spain abroad.

a member of one of the top world alliances, *Oneworld*. Thanks to all this, the airline makes around 1,000 flights a day to some 100 destinations in 39 countries, and 82 further destinations under the alliance scheme with other airlines, such as American Airlines, British Airways, Air France, Air Lingus or Lan Chile.

Iberia has helped to create a modern image of Spain abroad, as for over 77 years it has transported more than 575 million passengers. This is why the airline has a place not only in the air transport sector but also in the world, and thanks to its aircraft, the promotion of Spain remains assured, as the airline continues expanding.

This year, the company is to begin flying to Beirut and Moscow. In the short term, it will continue concentrating on its priority markets, particularly Latin America, Western Europe and the Mediterranean Basin and, in the medium term, its objective is Africa, because of the geographical advantages offered by this continent.

While Iberia has a presence in the world, transporting travellers from one place to another, there will be a large window looking over Spain. The big challenge now is to exploit this showcase, showing that Spain is capable of flying anywhere in the world, but doing it differently, with a Spanish label that sets her apart and whose essence is to be found exclusively in Spain.

Iberostar

The Iberostar Group is one of the classic companies on the Spanish tourism scene, and because of its presence in 27 countries and 10 million travellers a year, it is the number one Spanish tourism business group.

Its origin goes back to 1930, with the founding in Palma de Mallorca of Viajes Iberia. The hotel division, Iberostar Hoteles, was set up in 1983. In the 1990s, with the opening of its first hotel in the Caribbean, the group began its expansion in Latin America.

Currently, after nearly 75 years of experience, the group comprises the tour operators Iberojet, Solplan, Turavia and Viva Tours; the hotel group under the Iberostar Hotels & Resorts brand; the airlines Iberworld and Aero-balear; and the Viajes Iberia travel agency.

Turning what was at the beginning a travel agency into a prestigious tourism group has not been easy, but the Iberostar Group has worked constantly to



Spain needs to show that she is more than a sun and sand destination.

evolve and expand to new markets. Today, Iberostar Hotels & Resorts has a total of 78 hotels in the best Atlantic, Caribbean and Mediterranean resorts.

Indeed, as a result of this international growth and constant contact with the needs of the people in the countries the company operates in, the Fundación Iberostar was set up, a not-for-profit institution whose mission is to provide social, cultural and educational support in the areas and countries where the Group operates.

It is obvious that tourism is essential to carry out Spain's major tourism objectives. But to be successful, she needs to develop among all the players a global scheme which is centred on the satisfaction of the traveller, something that Iberostar has already accomplished, by accepting the unique character of every zone, but also by defining a Spanish tourism business concept through which the Spain Brand is already amply represented.

Irizar

Although this cannot be strictly considered a tourism company, as it belongs to the coach-building industry, it is related to the tourism sector because it manufactures luxury coaches, and —as has been shown previously— the transportation of passengers is an activity that is directly related to tourism.

Irizar started up in 1889 in Ormaiztegui, in the province of Guipuzcoa. Since then, it has concentrated on building long —and medium— range luxury coaches. It is currently the leading luxury coach builder in Spain, and number two in Europe. But the race has only just begun, since if there is one thing that distinguishes this company from others of the same kind, it is —unlike the overriding trend in this sector— its market diversification strategy.

While in its growth stage, in the 1990s, this luxury coach manufacturer detected markets that it wished to participate in, but which would have been inac-



Nearly four thousand authorised outlets worldwide exhibit artistic Lladró pieces in their windows: some are to be found in prestigious museums such as the Hermitage in Saint Petersburg.

cessible if it had to build the vehicles wholly in Spain. Irizar's response to this setback was to establish a series of joint ventures with local partners who set about assembling vehicles to the company's design.

Thanks to this initiative, the company has seen its coaches running in 65 countries as widespread as Italy, Poland, Morocco, South Africa, Mozambique, India, China, the United States and Brazil. In so doing, it has managed to go from being a minor supplier in the Spanish market to being the biggest coach-builder in Europe and a trend-setter in the design of this type of vehicle.

Once again, Spain is being projected through a brand. To be leader of a sector is not an easy challenge, but when this objective is met, and in addition, international recognition is received in the form of the European Quality Prize 2000, the top international award for company management, then it may be said that, directly, business success has been achieved and, indirectly, there is progress in the building of the idea that Spain is a modern, top quality destination.

Lladró

This is not a tourism company either, as Lladró is involved in the crafting of decorative porcelain. However, for its internationalisation process, as well as for its contribution to increasing the number of foreign visitors who go to Spain to see the City of Porcelain in Valencia, and also for its presence

in major museums, it does have an influence on Spain's tourist image abroad.

Lladró started out in the mid-1950s in a small craft workshop in Almácer, a rural town near Valencia. Its founders were three brothers, Juan, José and Vicente Lladró, the sons of Valencian farm-workers, with a great artistic talent. At the beginning of the 1960s, when the demand for their pieces started to grow, they built a workshop in a neighbouring town, Tavernes Blanques. Next they incorporated the word Spain into the brand name they used to identify their figures and started to go international.

It was the North Americans who were the first to be taken by the beauty of these figures, followed by the Europeans, chiefly the British and the Germans. This notable acceptance by English-speaking countries led to Lladró's setting up in countries as far away as Australia and New Zealand. In the 1980s, it was Japan's turn.

The Tavernes workshop was extended seven times until, in 1969, work began on what is known today as the City of Porcelain, where all the Lladró figures are now made. Today this company, the world's leading manufacturer and seller of artistic porcelain figures, exports its output to over one hundred and twenty countries, with the United States, United Kingdom and Japan being the principal markets.

And here are some more large figures: nearly four thousand authorised outlets worldwide exhibit artistic Lladró pieces in their windows. In addition, some are to be found in prestigious museums such as the Hermitage in Saint Petersburg, the Cinquantenaire Museum in Brussels, the González Martí National Ceramics Museum in Valencia, the International Ceramics Museum in Faenza, Italy and the Lladró Museum and Gallery in New York, which houses the largest collection of pieces in the world.

Another aspect of Lladró that should be emphasised, and one which contributes to culture, is that in 2001 it set up an innovative customer loyalty scheme, *Lladró Privilege*, whereby the members can attend exhibitions, concerts and cultural activities that the company organises around the world.

Because of all this, although Lladró does not belong to the tourism industry, it does constitute a magnificent visiting card on Spain's behalf all over

>the world's leading
manufacturer and seller
of artistic porcelain figures

THE MULTIPLYING EFFECT


TOURISM IS THE 10% INDUSTRY, accounting for 10% of the world GDP, employing 10% of the population, and with a 10% annual growth rate. Thanks to tourism, Spain has healthy airlines, beginning with **Iberia**, major travel agencies such as Viajes **El Corte Inglés** and global hotel chains that play an important role in the sector.

But tourism and the climate it has provided have created major multinationals in Spain who compete in this activity.

Standing out in the leisure and gaming sector is **Cirsa**, the only company to cover the whole sector spectrum, from casinos to family entertainment, with bingo halls, lotteries and interactive gaming and betting terminals. This Spanish company now has a presence in over 50 countries. In the fast food sector, there is **Pans&Company**, combining the traditional Spanish *bocadillo* with the Mediterranean diet, with over 300 outlets spread over Europe.

But tourism has also provided in-

dustrial development, with companies such as **Cerámicas Keraben**, one of the leaders in the national sector, with sales in North America and Europe representing 70% of its output; and **Fagor Electrodomésticos**, the market leader in traditional appliances, with a presence in 80 countries, which has also helped it to become a market leader in high-tech industrial equipment.

Tourism has played its part in the creation of value in the "Spain Brand" in a very broad and major sense. 



Paradores operate only in Spain, but 40% of their guests are foreigners.

Above, the Parador at Vielha, in the Catalanian Pyrenees.

the world. It does so, furthermore, with the added value of an implicit positive and sensitive message which favours Spain. The lovers of Lladró pieces particularly value their elegance and sensitivity. The fact that these pieces have a life of their own and that each one tells a genuine story is due to the good offices of the Lladró family, who have managed to identify the sentiments that really interest people and reproduce them in their pieces. Spain, too, has many things to interest people, and it is the responsibility of her companies —among other players— to reflect this in their day-to-day dealings to help Spain attain an international presence similar to that enjoyed by these beautiful creations.



The Paradores service is linked to a quality cultural tourism.

The Parador at Alcañiz, in Teruel.

Paradores

The name Paradores de Turismo is undeniably linked to cultural tourism, since as well as having establishments in nine Spanish Mankind Heritage cities, over half the establishments in the network are located in destinations with strong culture and art overtones.

The Paradores de Turismo Network, a 100% public capital company, began in 1928 with the Parador at Gredos (Ávila). As time went by, they spread all over the country. Today, this hotel group comprises 90 establishments spread all over the country, with 5,465 rooms in all.

With respect to the Paradores going international, it needs to be emphasised that this is currently exclusively “theoretical” as the chain operates only in Spain. In spite of this, the network has a great international influence (40 per cent of the guests are foreigners). These customers value positively the quality of the establishments and their location, always close to places with varied landscapes and a wealth of culture and monuments.

As for the not-too-distant future, three or four years, the Paradores network has not discounted the possibility of expanding its activity to Europe and opening in areas where, apart from doing business, it can attract customers for the national network.

Another of the merits of the Paradores network is its social aspect. This hotel company’s activity contributes to the recovery and conservation of the country’s historical and artistic heritage. It also helps to preserve and enables people to enjoy natural spaces, and is also a driving force for development in rural areas and a revitalising element for run-down, forgotten tourist destinations.

Travellers have changed a great deal since the first establishment in this network opened in Spain and yet the company’s philosophy has always been the same: to offer an integrated quality service that is distinctive, accessible, made to measure and committed to the natural, economic and historical environment. For all these reasons, the Paradores network has become a powerful tool for divulging the Spanish tourism philosophy and for showing that Spain is leading the way in quality and service, without renouncing her history and tradition.



In the photo, Aiguablava, in Girona.

Other chains

Another wholly Spanish chain, with a marked international presence, is Riu, currently number 29 in the world hotel ranking for number of rooms, with a presence in 15 countries.

The company started up in 1953 in Playa de Palma, in Majorca, as a small business run by the Catalanian Riu family, who purchased the 80-bed Hotel San Francisco, following an earlier experience as hoteliers in Venezuela. In 1985, the hotel chain began its expansion in the Canary Islands, and in 1991, it went international with the opening of a hotel in the Dominican Republic.

The company currently has 110 hotels located in Spain, Portugal, the Dominican Republic, the United States, Cuba, Mexico, Jamaica, the Bahamas, Morocco, Tunisia, Cyprus, Malta, Greece, Croatia and Bulgaria. The company's expansion policy has its eye on two priority regions, the Caribbean and Cape Verde.

HOTELS AND PARADORES

THE POSITIVE EVOLUTION OF Spanish companies in the field of tourism, and particularly hotel chains, is remarkable.

Many of them started out as family hotels or guest houses, with the names of their owners, and others began in other sectors.

This was the case with **Barceló**, which was founded in 1931 as a coach company. In 1959 it extend-

ed its activity to travel agencies and it was in 1960 when it built its first hotel in Majorca. Later it was the first Spanish company to open in the USA, and now is the leading Spanish chain there with resort and city hotels. Barceló, like others, learnt the business by making its guests feel at home, and now has a presence all over the world.

But there is one special chain. Without leaving Spain, it "exports" over 50% of its product. This is **Paradores de Turismo**, a model copied in other countries. It comprises 14 castles, 12 former convents, 7 palaces, 4 ancestral homes and 3 historic precincts, a wide variety of spots with unique buildings which marry culture and tradition, while at the same time

SPAIN, a BRAND DESTINATION

From the outset, Riu has had a philosophy that is fully orientated towards customer satisfaction, with the emphasis on quality and personal service. Therein lies part of this chain's success and it is precisely with these tools that it can and must transmit the excellent qualities of Spain's tourism, particularly in the tourism generating countries that use its hotels, such as Germany, Austria, Switzerland, North America and Central Europe. If from the decoration of the hotels, the room facilities, the food that is offered to them during their stay —among other things— guests perceive that Spain offers a range of resources that can satisfy the expectations of the most demanding of travellers, then it will be possible to export sensations and experiences with a uniquely Spanish "flavour".

Sol Meliá is the leading hotel company in the city and resort hotel sector in the Spanish, Latin American and Caribbean markets, and the third in Europe. In addition, it is one of the top twelve hotel companies in the world as far as number of rooms is concerned, and the biggest holiday chain in the world. Although the Meliá brand had already crossed the Atlantic at the hand of José Meliá, one of the major names in Spanish tourism, it was another big name in the Spanish tourism industry of today who picked it up and turned it into the top national hotel chain.

What was later to become the Sol Group began in Majorca in 1956, when the impresario Gabriel Escarrer Juliá, then only 21 years of age, began to run, under a leasing scheme, the Hotel Altair, located in the residential district of Son Armadams.

The tourism boom of the 1960s was a decisive factor in the consolidation of the Sol Meliá structure. By the end of the 1970s, the company was to be found in the principal destinations of the peninsula, the Balearic Islands and the Canary Islands.

Sol Meliá's international expansion began in 1985. This hotel chain was the first in the world to build a hotel complex in the unspoilt area of the then unknown island of Bali. There is no doubt that one of the pillars on which it has set its growth and internationalisation has been the gradual development of its presence in the three areas that are natural markets: Latin America, the Mediterranean Basin and the main European capitals, including the three tourism and business icons par excellence, Rome, Paris and London.

Currently, the company has 331 hotels in 27 countries: Spain, Germany, Belgium, Croatia, France, Italy, Portugal, UK, Switzerland, Egypt, Tunisia,


providing maximum comfort for the visitor.

They are enchanting hotels and staying in one is always a special, unforgettable experience for enjoying Spain's varied landscapes, gastronomy and history, although all with common roots.

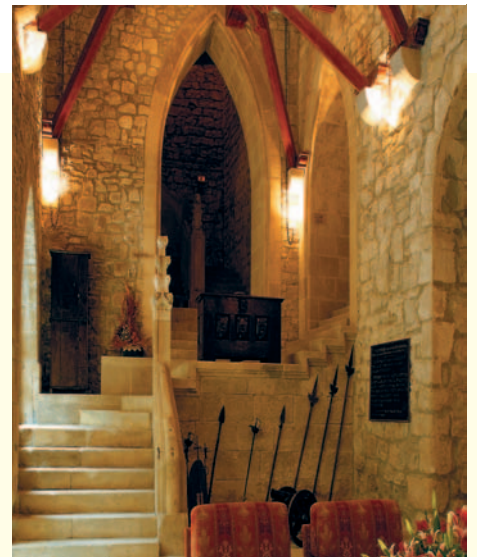
Buildings decorated with tapestries, rugs, ceramics and paintings recovered from the past to restore all

the majesty of their finest eras.

And superb food: traditional regional cooking, typical desserts and local wines work in harmony to delight tourists' palates.

The Paradores has been, and still is, a major tool for projecting Spain's tourism image, and therefore represents a significant percentage of the value of the "Spain Brand" in Tourism. 

Parador at Hondarribia, in Guipuzcoa.



Spain's "customers" will become the best ambassadors for the Spain Brand in the world. Chillida's Wind Comb in San Sebastián.



Argentina, Brazil, Colombia, Costa Rica, Cuba, USA, Mexico, Panama, Puerto Rico, Peru, the Dominican Republic, Uruguay, Venezuela, Indonesia, Vietnam and Malaysia.

It is clear that the remarkable international recognition of its hotels will help Sol Meliá meet its objectives and, coincidentally, extend Spain's presence in the world. In the beginning, Meliá hotels were set up to satisfy the most demanding requirements for quality, and they are still doing so, as well as helping to realise the dreams of the many travellers who are seeking warmth, courtesy and a highly personal service; all values which undeniably represent a symbol of Spanish identity.

By way of reflection

I wish to make it clear that Spain's leadership as a tourist destination is not due to the presence of Spanish tourist brands abroad, particularly if we take as an example companies belonging to other sectors such as Zara, Repsol, Telefónica or Unión Fenosa, who feature as some of the outstanding companies of Spain. It is necessary for the Administration to give decisive support to the internationalisation of the Spanish tourist industry (hotel chains, airlines, tour operators, restaurants, theme parks, training and all types of services reception services).

The interrelation between Spain as a brand and destination and her companies—who are the ones that directly serve the “customers”—needs to converge into greater public-private cooperation. Not only in the area of foreign projection, through advertising campaigns, but also by drawing up and emphasising her tourism potential and in research, something that is extremely necessary when innovating companies and services that have to be able to cater for the new trends set by the traveller of the 21st century.

Spain hopes to keep attracting travellers with greater spending power and in order to attract them for the first time as well as to build up customer loyalty, she needs to become fully aware of the fact that quality is essential in all the products that make up a tourism package: all those companies—big or

SPAIN, a BRAND DESTINATION

small—who are involved in making the leisure time of her travellers and those who visit her enjoyable. She must also be quite clear about the importance of the segmentation of the tourism market, which must offer added value, so as not to have to compete exclusively in price with other Mediterranean countries. That way, her “customers” will become the best ambassadors for the Spain Brand in the world.

At the same time, Spanish tourism companies must reinforce and expand their presence abroad, to defend their interests in the main tourism generation markets (China is the latest objective) and to find a stable, permanent gap in a sector that is fickle and moving towards integration and globalisation. Up to now, only a few Spanish tourism companies have started to do this, particularly those who have a presence abroad, such as Barceló, the Iberostar Group, Globalia, Riu, Iberia and Sol Meliá, the last two being leaders in South America as well. The rest of the tourism sector is made up of small and medium companies that need support to begin expanding. If Spain’s main tourism companies are heavy investors in Central and South America, if the Spanish Government is constantly giving priority support to destinations that are linked to Spain through language, customs and above all, history, then it must also increase its support to her tourism companies.

¹ Frontier Tourist Movement statistics drawn up by the Tourism Statistics Institute.

² Overnight stay or room occupation refers to each night a traveller is lodged in the establishment.

³ “Perspectivas Turísticas” report by Exceltur. January 2005.

⁴ Information from the Secretary of State for Trade and Tourism.

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“Although Spain began to rid herself of a good many of her complexes with the arrival of democracy, and she might even be said to have swung the other way entirely and become one of the most liberal countries in Europe, one would also expect her to lose her inhibitions in the promotion of her brands”.

Vicente Verdú

“Today, the Spanish language is synonymous with a growing, expanding market [...] Learning Spanish as a second language is all the rage in the top East Coast universities”.

Fernando R. Lafuente

“The brands of the companies of a particular country and of its products and services are essential for determining its reputation and its social, cultural and technological image in the rest of the world”.

Guillermo de la Dehesa

“In Spain, there is a series of companies that the international media in this sector call “the New Spanish Armada”.

Covadonga O’Shea

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