

Executive summary

Economy of identity, economy of difference

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This Paradigmes issue intends to reflect on and provide a discussion basis for a relatively new concept that has been scarcely defined by theory, that of economy of identity. To do so, we have made an approach to the general concept of identity and the value of differentiation in today's global world.

We have also tackled the relevance of brands in times of low cost as well as the role a country brand plays in providing products and services from a given territory with intangibles or in attracting talent and investment.

Panorama

This is the content of the «Panorama» section, in which Salvador Cardús (**UAB**) opens the monograph reminding us that identity «places us in front of the process allowing to solve three requirements of any social logic: recognition, differentiation and linkage». To do so, according to Mr Cardús, «markets and products circulating there set relations of competition translating into supposed substantive identities intending to become "naturalised", to appear as beyond any discussion. The "brand" is the expression of that "essentialist" intention of providing a product or, whenever appropriate, a country with a stable and permanent specificity.»

In an interview by Mar Jiménez (Avui), Manuel Castells (**Universitat de Berkeley & UOC**) asserts

that «national identity is positive in commercial branding if associated to acknowledged quality». However, he alerts that identity-based national branding is different from commercial one: the nation is asserted through values like democracy, tolerance, open-mindedness and lifestyle.

Josep Maria Oroval (**ESADE**) analyses the creation and assessment of a brand in the global economy. He asserts that «creating a brand identity is a strategic issue for companies as it means to create one of its most valuable intangible assets, a sustainable competitive advantage that shall contribute towards generating future benefits and in the end of the day developing the company».

In applying the brand concept to a territory, Juan Carlos Beloso (**Futureplaces**) points out the importance of systematic management of that brand, the goal of which is «to build the brand identity, the image and the reputation of a nation». Managing a brand is doing «promotion abroad of economic, commercial and political interests of a country in a strategic, integrated and systematic way». To Mr Beloso, the ultimate goal is «to contribute to reaching a competitive advantage to compete successfully at international level».

To Josep Francesc Valls (**ESADE**), the brand image of the country needs to be uniform throughout its territory and align all its assets, look for support by its citizens, segment jointly the domestic and international markets and

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have an action code for all stakeholders and partners it deals with.

Use of the country brand over the world and in Catalonia

The second block of *Paradigmes* looks into the use of the country brand over the world and in Catalonia.

First of all, we wanted to know how identity and differentiation are used in thirteen countries: Brazil, Canada, Korea, Denmark, USA, France, Netherlands, Italy, Japan, Portugal, UK, Switzerland and China. To this end, Núria Peláez (*La Vanguardia*) interviewed consuls and foreign trade officials of these countries to Barcelona. The intensity in the use of the country brand seems to depend especially on the rather consolidated or emerging role each country plays in the world economy and recognition of its cultural tradition. Everybody is clear about the properties associated or intended to associate with products and services as well as their country's territory. There are coinciding items like those related with technology, reliability and creativity, as well as more distinctive ones like beauty.

Ramon Aymerich (*La Vanguardia* and member of the *Paradigmes Publishing Council*) approaches us

to the ways in which different big companies use identity as a selling proposition, from Ikea to Toyota, including the likes of Coca-Cola, Seat and Nissan. He talks of the strict rules imposed recently to regulate textile, fashion, shoe and leatherwork products to feature the *Made in Italy* label. The cases of Italy, Japan and more recently Spain serve as an example for the author to point out the fragility of prestige based on the country brand.

Next come two interesting conversations. In the first, moderated by Arnau Albert (Eines), writer Alfred Bosch (UOC) and philosopher and cultural manager Josep Ramoneda (CCCB) were suggested to talk about the binomial Catalonia-Spain in terms of image and identity.

To Mr Ramoneda, «there was a point in transition towards democracy at which a certain "Spain myth" was created as the world saw that Spaniards didn't kill each other as had been predicted. That was the moment at which the Spain brand started working.» According to him, «inclusive and peaceful independence proving the ability for self-management would consolidate the Catalonia brand considerably». Bosch believes that if Catalonia had an own state the discovery factor would perhaps be lost, but «selling would be much easier, to an audience that is not so restless but much more general». He goes on: «The way of two hugging each other, as Rubert de Ventós says, is that they become separate, be two, as one alone will not hug himself.»

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Xavier Salvador ([economiadigital.cat](#)) conducts the conversation with Enric Marín ([CCMA](#)) and Ferran Mascarell ([RBA](#)) on the dichotomy Catalonia-Barcelona in its international drive. However, both agree that this discussion is already overcome. To Mr Mascarell, «a capital and a country are two absolutely entangled pieces where mere doubt harms both the country and the capital».

To Enric Marín, «it is fundamental that the BCN brand eventually acquires a national content, otherwise it will seem a city hanging in the void, and it is very important that the CAT brand becomes strengthened by associating to the BCN brand». He adds that FC Barcelona «shows the way: when going abroad, it is Barcelona and Catalonia, it is both things at the same time. And what strengthens FC Barcelona in the world is that it has not only a city but a country, a flag, an identity behind.»

Ferran Mascarell identifies the Catalonia brand with creativity, civility and innovation, especially from an entrepreneurial point of view. Mr Marín feels that «the cycle of prestige, the Spanish miracle is over». We are therefore «entering a new scenario in which we either project the Catalonia brand or we'll lose a good opportunity». Ferran Mascarell wished that «our brand is built out of our own energy and with support by the Spanish government. If not, the energy of the country will need to bundle and find the way of reaching an efficient state.» Enric Marín finishes the conversation asserting that «in this global world, either you're able to be recognised or you're not a play-

er. We cannot surrender the international brand as we would cease to exist.»

Jordi Portabella from the [Barcelona City Council](#) considers that «Barcelona is the city's and Catalonia's great take-off and landing platform, but also increasingly that of a territory going beyond that». He analyses the success strategy of the city brand based on the own values and reminds that «what makes Barcelona unique is what cannot be copied even if you wanted to». To Mr Portabella, «the identity of all big cities of the world is simultaneously local, national and cosmopolitan, multicultural with different shades and complexities»; he goes for cosmopolitanism based on an «own and true identity».

Adriana Delgado ([DIUE](#)) leads a conversation with five delegates of the Government of Catalonia abroad, specifically Apel·les Carod (France), Andrew Davis (USA), Martí Estruch (Germany), Jordi Font (Argentina) and Xavier Solano (UK). In its course it is stated that «there is a first difference between what is known of Catalonia on the European continent and across the Atlantic, where the Catalan identity is more diffuse or restricted to Barcelona or Spain». In Britain, «Catalonia is becoming considered a brand and Barcelona its capital». It is also pointed out that «when Spain seizes Catalan products, celebrities or values, Catalonia is also responsible for not promoting them as being Catalan or providing them with the necessary platforms and sponsorship to appear to the world as being Catalan». Also, the effort to create a Catalonia brand image «is double-fold considering that

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being a small country without political independence requires an additional effort by celebrities, organisations or companies to recognise or make known their identity (and if anybody doesn't do it, they cannot be forced)».

Productive industries and the Catalonia brand

The third *Paradigmes* block looks into the use of identity and the country brand in the different production branches. Isidor Marí (Linguamón-UOC Multilingualism Chair), Antoni Mir (Casa de les Llengües) and Marta Rovira (Envit) believe that «those societies (like the Catalan) with an open-minded concept of language diversity, taking it as a positive value, are well positioned to take advantage of the opportunities created by means of multilingualism». They add that globalisation has taught us that «despite the existence of a lingua franca like English, the local, associated to a language, a culture and an identity», is indispensable to create trust. Linguamón promotes a multilingualism platform to cater for the needs in managing linguistic diversity and deepening into its technological solutions. Thus «the expertise of the Catalan society in managing diversity» shall become a prime capital to «turn Catalonia the capital of multilingualism».

Joan Manuel Tresserras, the minister of Culture, tackles cultures from two perspectives: creativity and cultural industries. He advocates «providing

the conditions for Catalan-based cultural industries to be able to offer production of universal interest and work as foreign talent centres without surrendering their Catalan way». Such cultural industries need to be set up in the area of specific products addressed at a global audience in order to «project Catalan cultural identity to the world, besides doing business there». Mr Tresserras points out that «the Catalan community has an asset clearly challenging its view as being part of the "small" ones, which is Barcelona and its role as the capital of the country and the very Catalan culture».

The minister also refers to the Barcelona brand providing values like «resistance, perseverance, strength, courage and intelligence, that is, values commonly perceived as being positive and that should be easy to convey from the Barcelona to the Catalonia brand». He adds that the Catalan cultural identity draws a clear benefit from the association of the Barcelona and Catalonia brands in terms of visibility and projection, but Barcelona also gains a very relevant asset: «settling in the European and global context as the capital of a country and a national community with an own cultural system».

Salvador Anton (URV and member of the *Paradigmes Publishing Council*) analyses identity and tourism between image and perception. Quoting the World Tourism Organisation, he reminds that the competitive identity of a destination is «what makes it different and memorable. It makes a destination different from all the rest. It is the foundation of the international competitiveness

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of a destination.» To Salvador Anton, «tourist brands associated to specific products with a territorial basis can have an organisational function setting standards, systems of control and mechanisms for development regarding their productive elements that allow to socialise the benefit driven from tourist valuation of public tangible and intangible assets and thus facilitate an efficient deployment of economic processes related to identity.»

Modest Guinjoan (**PIMEC**, Barcelona Economia and member of the *Paradigmes Publishing Council*) looks into the use of the Catalonia brand in the food branch, basically through the Catalonia Denomination of Origin implemented in the wine industry. Despite its recent creation, it already amounts to 45% of overall Catalan DO sales, the use of this DO being no disadvantage in the rest of Spain. Mr Guinjoan adds that «with a view to tourism regarding both consumption while staying and purchasing, as for export, when a tourist wishes to consume a local wine, he will identify the Catalonia DO easier than a local one». He advocates extending this brand to the whole of the food industry.

Oscar Guayabero and Jesús-Àngel Prieto (**Escola Massana**) tackle identity with regards to material culture (arts, design, architecture, fashion, handicraft). The authors believe that «we need mechanisms allowing to take foot and especially get a footprint. Symbols of identity are a good tool for this goal. Their ability in getting in touch with the local reality, the material, the

craftsperson's hand, architecture based on local techniques, design updating the use of own materials and techniques, imperfections making handmade products unique, digital technologies at the service of ultralocal production, etc. can help us get in contact again with the land beneath our feet.» And they add: «This is an identity that despite yielding iconic results is built by doing, by recognising ourselves in our particular way of being as a people that searches pleasure in things done well.»

Montserrat Pareja-Eastaway (**UB**) and Josep Miquel Piqué (**22@ Barcelona** and member of the *Paradigmes Publishing Council*) analyse identity as a differentiating factor of territories within the knowledge society paradigm. To the authors, once the aphorism proved false by which **ICT** would turn the Earth flat, something little more than a **commodity** (i.e. a set of undifferentiated spaces), the territory reaches a twofold dimension. «On the one hand, it provides factors attracting business and qualified human capital, and on the other, the city presents an identity and a legacy beyond its mere ability to seduce – based on its own economic record and the stakeholders and policies shaping it – that crosses borders and makes it valuable and attractive in a global setting. In this respect, the city becomes a node in a global network linked by knowledge, culture and talent transmission flows, playing its role as a soundboard feeding and disseminating what is occurring inside.»

Jordi Valls (**Port of Barcelona**) reflects on identity, location and logistics. First of all, he states that

Joan Manuel Tresserras advocates «providing the conditions for Catalan-based cultural industries to be able to offer a production of universal interest and work as foreign talent centres without surrendering their Catalan way». Such cultural industries need to be set up in the area of specific products addressed at a global audience in order to «project Catalan cultural identity to the world, besides doing business there».

«countries attract and keep business and companies according to known and widely studied, yet changing and very fragile criteria and conditions». He reminds that the world's fourth position taken by the Barcelona port in cruising is based on the city's appeal, yet «its main success factor is the deployment of an excellent public-private strategy developed in terms of strict effectiveness, business efficiency and positioning in the international market». Regarding logistics, Mr Valls advocates «different levels of cooperation, from defining common development strategies to joining identities to create new concepts and potentialities (co-branding)».

Arnaud Albert makes an approach to different cases of businesses and organisations having successfully based their competitive strategy on identity and the country brand. He looks into cases such as Damm («we are used to do business on a paper napkin and abide by it»), Moritz («showing our Catalan way is a natural choice according to its culture and market» as «the consumer is less ready to give up what they feel as belonging to them: their language, values and culture»), Natura Bissé («We all need to agree [...] as we often talk of the Barcelona brand and what is needed is to live up to it [...]. Business and public authorities need to join in this goal»), Carme Ruscalleda (Catalan identity plays a «very important» role in creating the image of Sant Pau restaurant «based on the origins, education, will and the wealth of Catalan cuisine»), Spanair and FC Barcelona.

The block finishes with a panel discussion moderated by Toni Rodríguez (Intermedia). Its participants are Iago Aguilera Murt (Sita Murt), Llucià Casellas (Roser CMSA & AMEC), Ramon Ollé (Grey Spain), Jordi Serret (ACC1Ó) and Ferran Soriano (Spanair).

To Mr Serret, «globalisation introduces a high degree of standardisation, so differentiation mechanisms need to be sought as they are in fact the positioning of a country, product or service. For based on their differentiation, territories have more or less chances of attracting capital, financing and talent.»

According to Mr Casellas, «talking about gastronomy or industry is not the same. Our country image can help in some markets and in others not. Perhaps it can in Latin America, but what counts in Germany is quality and not our territorial identity, which is very scarce in the industrial domain.»

Mr Ollé states that «it is true that there is standardisation, but with the upcoming of the internet, the local is becoming increasingly important. There are many products you find here as anywhere else, but it is also true that microsegmentation has the consumer appreciate cultural values and the local footprint as much as ever. As a country, I think it is better to be relevant than to be different, which doesn't mean to be attractive. The brand needs to have an intention, it needs to be managed and measurable.»

According to Mr Soriano, «globalisation and homogenisation have people look increasingly for authenticity. But things also need to be profitable. And to be profitable they need to be well marketed. Perhaps we lose a bit of authenticity here, which is well lost if we thereby make more business.»

Mr Aguilera Murt reminds of Ikea, where they «live up naturally to their origin and give their products Swedish names without any problem and committed to their country and culture». Mr Ollé remembers that «Apple says that its products are designed in California. Sometimes it's much easier to create an image based on smaller and more homogeneous territories than on larger ones».

According to Mr Serret, «a global jigsaw is being built and we need to know what our role is. Where do we fit in? Place the brand at the beginning or the end, it doesn't matter as they will probably go hand in hand. What is true is that a consensus will be needed, not only among public authorities but also in business.»

The panellists submit their proposals to associate the Catalonia brand with properties: open-mindedness, creativity, lifestyle (Ollé); creativity, innovation, product and service quality (Casellas); own identity, entrepreneurship, creativity, talent (Serret); entrepreneurship, creativity, innovation, perseverance (Aguilera Murt); and a perfect blend of Spaniards, Italians and Germans (Soriano).

Supportive measures and policies for the country brand

The last block of the monograph looks into measures and policies in support of the country brand. Juan Carlos Beloso assesses some of the existing numerous rankings evaluating country brands. He believes that «what is really important for each country is to identify and assess those indices that help understand better its own position compared to other countries and set more appropriate strategies and policies to improve that position – all in all, compete successfully in an increasingly global and competitive world». When establishing the value of a country brand, he distinguishes between internal assets, which can be inborn (long-lasting items of national identity like iconography, landscape and culture) or generated (derived from intended efforts to create a healthy environment fostering the development and creation of the value of the country brand), and external assets, divided into indirect (experienced through references rather than direct experience, such as perception of the country image, external representation in folk culture) and disseminated (tangible projections of the country image beyond its borders, brand ambassadors, diaspora, brand exports).

Last in this block and the overall monograph comes Roser Clavell, vice-minister of Foreign

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Affairs and Cooperation, who looks into policies of the Government of Catalonia fostering economy-related identity. She states that the Government wishes to «coordinate and bring consistency into the multiple efforts done at international level to provide a single image and multiply our international influence». Based on the Foreign Action Plan (2010-2015) and open participation, four assets making Catalonia's identity have been singled out: will of self-rule as an expression of the own identity; open-minded and innovative economy with an entrepreneurial tradition; committed and consistent civil society; and universal and unique culture. Despite the work done, «there is still another not less important item to be worked upon: agree on and single out the points defining Catalonia's image to settle all these items in a brand of its own».

Based on her experience at the head of Catalan foreign relations, Roser Clavell believes that «the world is a single market full of consumers, tourists,

investors, entrepreneurs, cultural and sports events, media, governments, people, etc. Identity-based competition is the identity of a nation, political and economic competitiveness, the reputation and image of a country. This is why we need to work to play our role in this global market.»

The monograph finishes with the comments on selected bibliography related with economy of identity. Cinto Ros i Ombravella, Alfons Garcia and Eulàlia Furriol analyse books by relevant authors such as George Akerlof (Nobel Prize of Economy 2001), Simon Anholt, Teemu Moilanen and Dinnie Keith, dealing with economy of identity, competitive identity and country brand management. Santi Andorrà also analyses an article by Joan Costa i Font on some statements by Akerlof. Finally, Alba Gubert summarises the interesting report ordered by the French Economic, Social and Environmental Council on image management policies in that country.

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