

Regional Brand Management in Financial Industry

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Abstract—Regional brand has risen in the world and become the focus of regional managers recently. Through theoretical study on regional branding abroad is still in its infancy, based on the long-term tracking to regional branding of foreign research literature, this thesis conducts existing research review and points out the deficiencies of the existing studies from the origin and the theoretical basis of the brand, the study area and regional brand strategy and management in order to provide information and reference to future regional brand research and practice.

Keywords- *Regional brand; origin and development; branding; brand management*

I. INTRODUCTION

In the globalization of competition, the competitiveness of enterprises has not only depended on their own micro-level factors, but also on the industrial clusters. Brand competition among enterprises has risen to a higher level of regional competition between brands. Since the reform and opening up, China has a lot of large-scale industrial clusters evolving around a product. But with the changing business environment, competitive pressure increases, so low-cost competitive advantage of industrial clusters are gradually weakened. Same situation happened in financial industry as well. Based on this reality, some local governments and enterprises realize the strategic significance in the development of regional brand and promoting the development of industrial clusters. In order to develop local economy, they develop regional brand.

II. THE ORIGIN AND DEVELOPMENT OF REGIONAL BRAND THEORY

Since 2002 China conducted research on the theory of regional brands. Since reform and opening, with the vigorous development of China's industrial clusters, there has been a famous brand and regional brand growth in Beijing, Shanghai, Zhejiang, Jiangsu, Guangdong, Fujian and other areas. They provide a series of subjects for the academic study of regional brands. Domestic scholars began to be concerned about it. Lu Guoqing published "location Brand: New Thinking agricultural brand management," which is the first to propose the establishment of regional brands in agricultural operations. Huang Chaoyin "industry cluster and regional brands" elaborated regional brand effect from the perspective of its strategic importance to urban economic

development. Xia Zeng published "regional brand building to explore". Wenzhou, in Zhejiang Province discusses issues related to the area of brand building. Overall, the study of domestic regional brands is still in its infancy and research content is very limited. There is no widespread concern in academy. After 2005, a large number of regional brand research articles were published. During this period, they mainly studied the nature and characteristics of regional brands, the formation mechanism and influence factors of regional brands, the relationship between regional brand and brand, the effect of regional brand, the regional brand equity and its assessment, management and other aspects of regional brands. Meanwhile, the government in Guangdong, Fujian, Zhejiang create a regional brand as a government strategy to promote local economic development in view of the effect of the regional brand. They even make strategy to develop regional brand as the international brand, pilot branding and brings it to a whole new level.

III. CONNOTATION OF REGIONAL BRAND

We should first be clear the meaning of the word regional brand. Yonggang believes that the corporate brand is the company's reputation in the market and influence. When its effect is confined to a limited area, it is known as a regional brand. Regional industrial brand refers to market reputation and influence by the formation of regional industrial development. It is not a single enterprise but the enterprise clusters in the region. The region in the regional industry brands is the main brand of limited spatial orientation, and the region in the regional brand is like the word about the brand sphere of influence. Regional brand concept used here is different from the area level. It does not refer to a product's reputation within a limited area, nor is the fame of a given area, but a product of the brand bearing the body of an area other than an enterprise. Therefore, we can not confuse the region of a regional brand and corporate brand products. About the connotation of regional brand, it is summed up in the following view: From the perspective of industrial clusters, it is equivalent to the cluster brand. A regional brand is a comprehensive reflection of many enterprises within a certain area of industrial clusters. It is the inevitable result of the development of industrial clusters, representing the body and the image of an industry cluster products. From the perspective of the local special products, the idea that a regional brand is the area of traditional industries is the basis for local special products for the carrier. It has a long history in the accumulation of a culture, or a local administrative

region dubbed the scene name. It enjoys wide popularity and high reputation, great commercial value of the brand, and it is also known as the traditional regional brands. Such regional brand is relying on rare and irreplaceable natural resource. Its development and specialty products are based mostly deep-processed products. Geography attributes to these brands. They are unable to survive without its geographical environment. From the perspective of a certain geographical area or administrative region, regional brands will be defined as the brand national, regional, urban and other certain geographical area or administrative region. A regional brand is the recognition of a regional audience, including cities, regions, countries and other core values and characteristics, and it is a regional carrier of the relationship with the audience.

IV. REGIONAL BRAND'S RELATIONSHIP WITH THE PRODUCT BRAND AND INDUSTRY CLUSTERS

Meng Tao believes that the corporate brand is formed on the basis of product brand. The product brand's awareness and reputation can be converted into corporate brand assets, products and brand equity. There was a positive correlation between corporate brand and product brand. Corporate brand promote regional brands. In a certain area, one or more representative strong corporate brands became a symbol of regional brands and the best carrier of regional brand. Guo Wuli believes that in the process of the development of industrial clusters, there is a close relationship between the corporate brand creation and the creation of regional brands. The two promote each other. The creation of a corporate brand within the cluster area is conducive to the formation of the regional brand, but the creation of a regional brand is not entirely dependent on the corporate brand. In the original hairstyle industrial clusters, often regional brands are created earlier. In regional brand and industrial cluster relations, scholars believe that industry cluster is the cornerstone and important material basis or carrier of regional brands. Industrial clusters are in favor of the formation of regional brands. Regional brands will also promote the development of industrial clusters. There is a close link between the two and they mutually reinforce each other. Xiong Aihua, Huang Yong discuss the relationship between regional brand and industrial cluster from the perspective of tangible assets and intangible assets. They think intangible assets considered as an important regional brands regional industry, and tangible assets and industry clusters are inseparable. Regional brand in a certain geographical area can establish the image of the regional industry, establish the status of the regional industry, but that does not mean that the regional brand can exist independently from industrial clusters. The formation of industrial clusters, industrial scale, industry concentration and market share are the basis for the formation of regional brand. After the formation of regional brand, whether it can expand its influence is more dependent on the further development and expansion of its regional industrial clusters. Therefore, the main industrial clusters as tangible assets restrict the development of regional brand and play a direct role in the regional brand.

V. REGIONAL BRAND'S FORMATION MECHANISM

Zhang Guangyu and Wu Cheng believe that the factors affecting the formation of regional brands have location factors, policy factors, economic factors, natural and technical factors. Shao Jianping and others think that regional brand is a result of the economy, culture, geography and natural resources. In terms of the conditions and mechanism of the regional brand, Gu Qiang, Ren Bao and Zhang Yanming believe that the scale advantages of industrial clusters, loyal and differential advantages and other advantages are the main factors of regional brand formation. Yu Weibin believes that the cluster concentration, competition, cooperation, learning and innovation and flexibility inherent mechanism of production specialization creat marketing advantages of industrial clusters, which leads to the formation of the regional brand. Ma Xiao and Xiao Yang believe that regional brands' generating conditions include industrial clusters' market advantages and industrial advantages of the producing condition. Market advantage is the product cost advantage, channel strengths and product innovation; business advantage is the strong corporate brand and market influence. Clusters formed mainly by regional brand and industrial clusters' advantages, the impact of favorable regional environment, advantages of leading enterprises and creating brand groups, local government policy and performance. Among them, the industrial advantage is the basis of regional brands. Favorable regional environment is an important guarantee for the formation of regional brands. The implementation of the cluster or backbone enterprises is the key to the formation of regional brands or necessary conditions. The role of government is to form an integral part of regional brands mediating variables.

VI. BRANDING IN FINANCIAL INDUSTRY IN SIGHT OF REGIONAL BRAND MANAGEMENT

The financial industry has undergone significant change in the past years. China became a full WTO member already. Gradual opening-up of the financial market is part of our WTO commitments. After December 2006, foreign banks had been granted national treatment. Faced with grave challenges posed by the WTO membership, China have to speed up reform in the financial sector and gradually open it up in a bid to achieve sustainable and sound development. Today, large commercial banks operate in a far more dynamic marketplace. The cost of funds fluctuates rapidly and there is increased competition from both global and regional markets. With growing competitiveness in the Financial industry, and similarity of services offered by financial institutions, it has become increasingly important that financial institutions identify the factors that determine the basis upon which customers choose between providers of financial services. It is necessary to have a tool to be able to persuade and tie consumers in different ways than the price on the current account. The brand can and must fill this gap. Consumers have emotions that can be influenced by branding. Branding here likes a bridge that ties consumers and banks together. The objective must be to

strengthen the relationship between bank brand and customer. Besides service branding, product branding, financial geographic centralization also can and must be under brand management, which so called regional branding. Hongkong, Shanghai, Shenzhen are devoting to become financial center in Asia by taking the strategic regional branding policies. Shanghai is the financial center for socialist market, Whereas Hong Kong is the financial center for capitalist market. All of those have an excellent regional branding plan, which is indispensable for such great success.

VII. DEFICIENCIES AND FUTURE RESEARCH DIRECTIONS OF REGIONAL BRANDING STUDY

It has a relatively short history of regional branding study, so there is no adequate theory of the formation of the accumulation. Although the theoretical research on regional branding is few in number, but it develops rapidly. If the fragmented regional brand is carefully combed, you can find some potential characteristics and development trend of regional brands of research. Currently regional brand practice appears earlier, but academic research can not keep up with development, so theoretical research is far behind the regional branding practices. Regional branding is now beyond the narrow boundaries of marketing research applications, involving many fields which are not involved such as sociology, history, political science, etc. Therefore, its subject areas have extensive features and presents interdisciplinary trend.

Overall, the regional brand research has the following deficiencies and problems to be solved in:

It has no clear, the relationship between "Regional brand" and "Global brand" which seems like a puzzle. Although scholars have proposed a variety of titles, but the relationship among species has not yet been clearly defined. As for the "regional brand", it could coexist with "global brand", how could something is both "regional" and "global", is that possible or impossible with the globalization of the financial market?

The inner mechanism is lack of basic theory, and it has not yet formed a complete theoretical system. Despite the rapid development of regional brand research, the research is still very fragmented and most studies still remain in the traditional brand management and brand strategic level. Only limited phenomenon is related to the emergence and development of regional brands, but there are no in-depth special laws to reveal regional branding activities. There is not a general theoretical framework to support the development of regional branding theory. Regional branding is a new research project, and the company's brand theory in the field of regional brands still has many unresolved issues.

Regional branding research involves interdisciplinary knowledge and company brand. There are no existing theory used to explain the phenomenon of regional brands, so it is necessary to interpret the theory based on existing knowledge, theoretical foundation and framework to build a regional brand of research. So, how to use the results of theoretical research in related fields, integration and knowledge relevant neighboring disciplines to explore the similarities and differences of regional branding theory and the theory of the company's brand, and thus reveal the characteristics and laws of regional branding activities, and on this basis build regional brand theoretical foundation and research framework is an important issue to be addressed.

It's lack of tools and methods of quantitative research, the current study remained mostly at qualitative stage. They use case studies to study regional branding practice in a particular region or multiple regions for the study of regional brand. They do descriptive exploratory study on the formation process of the brand, influencing factors, strategic framework and regional brand management which provide research foundation. However, establishing a new theoretical framework requires a lot of objective, scientific data supporting empirical research. But quantitative research now is still very weak, and only a few scholars involve quantitative approach. It could been expected that accordingly researches strengthening the quantitative study of regional branding is an inevitable direction for future in this field.

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