The New Landscape of Platform Brands

Platform Branding: Decoding Positioning to Understand the Secret Source of Success

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Dear Reader,

It is our great pleasure to announce the release of our June LABReport, our quarterly publication dedicated to branding in China and beyond. In each issue we bring together thought leaders from around the company to share perspectives on a topic brand builders cannot afford to ignore. Our analysis combines five lenses in line with our specialties: research, strategy, naming, design, and digital.

As we reach the halfway point of 2017, we see a common theme in some of the world’s most innovative brands: the ability to serve as a platform that connects, combines, and engages users. In China, we see an intersection of platform thinking and new technologies creating a surge forward in how we define and categorize platform brands.

From understanding from a macro perspective platform thinking, to appreciating the new technologies that have the ability to reinforce the brand promise, to applying these insights within a specific industry such as Fintech, this LABReport dives into the subtle and substantial trends among platform brands that are changing the landscape as we know it.

What does it take to be a successful platform brand?
Read on to find out.
Platform Branding: Decoding Positioning to Understand the Secret Source of Success

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Discussions around platforms such as Alibaba, Facebook, Google and more have been some of the hottest topics in the world. Through those discussions the platform business model becomes clearer and clearer: as Nick Srnicek of ‘Platform Capitalism’ defines, “Platforms are characterized by providing the infrastructure to intermediate different user groups, by displaying monopolistic tendencies driven by network effects, by employing cross subsidization to draw in different user groups, and by having a designed core architecture that governs the interaction possibilities.” However, nobody has yet decoded the mechanism to build a successful platform brand. Whereas a successful business model brings a company users and revenues, a successful brand brings followers, advocates, innovators and creators that are above systems and structures.

A platform remains a platform only and cannot be defined as a platform brand if its focus is on the product, with no brand thinking behind. We define platform branding as a dynamic process to build brand experience through actions led by brand thinking, to stay relevant to customers to foster continuous and intensive usage of the evolving platform brand, while avoiding the side effects from the perception of being monopolistic in development.
Note that differentiation is less important in platform branding than in typical branding, as platforms are to some extent an extractive apparatus for data which leads platforms to become dynamic ecosystems with ever-increasing access to more activities. This article will explain the secret source of platform branding, through demystifying the roles of established platform brands and the actions they have taken on their paths to success.

Semiotics provided the team with an approach to analyze, decode, and recode signs ranging from advertisements, websites and APP user interfaces to social media postings from around the market, finally resulting in a map of the following positioning spaces. The matrix is defined according to the appearance of the platform brand – from apparent in each touchpoint, to almost unnoticeable in daily life; and its experience – from every-step-is-structured (for the feeling of a well-controlled lifestyle) to a freestyle where customers are doing whatever they feel most comfortable doing. From this mapping, 4 positioning spaces of platform brands are evident.

**Positioning Spaces of Platform Brands**

- **Guiding Interface**
  - Apparent
  - Control
- **Stimulating Participation**
- **Inclusive Responsibilizations**
- **Seamless Intuition**
  - Free
  - Woven in the Fabric

As its name implies, platform brands in this quadrant act as a guide or in some extreme cases as a commander. The platform brand exerts control over users to follow established rules and steps. Its user interface is apparent and straightforward. Every single step is guided and precisely designed to lead us to the routes the platform brand has created. Google’s search engine falls into this space. From the first letter typed, Google shows the limited possible directions, suggested from its big data. Results are well classified to form and strengthen our internet search experience. It becomes a functional tool and our habitual search engine in life. It is the synonym for search and reliability. Chinese Baidu and Microsoft Bing both need to follow the routes and user experience set by Google, as users feel awkward when they see something different from the industry standard they are already accustomed to.
It becomes a synonym for social tools, embedding reliability plus ease-of-usage that connects to various living scenarios.

As increasing access to more users’ activity data is a ‘must-have’ to gain more context, platform brands characterized as guiding interfaces also evolve along the way, i.e. from single service to multiple service platform (MSP), from a single business category to diversified business territories. As WeChat suggests, it is possible to evolve from a social tool to a social-centered living accessory. We now use WeChat for not only chatting but also gaming, paying utilities, reading, shopping, ordering, wealth management, and more. The user is guided towards using and adding to as many WeChat functions as possible since it has penetrated deeply into different aspects of our life.

Through this soft approach, Tmall regroups its user segments into Healthy lifestyle pursuer (乐活绿动), New single fabulous (独乐自在), Dare to be free (人设自由), Technology Savvy (无微不智), Amateur master (玩物立志) and creates a new set of rules for guiding activities around the platform. Besides reliability and usability across different scenarios, platform brands that are a step ahead preset consumer archetypes to lead users on planned routes of the platform, communicating a sense of belonging.
Stimulating Participation

Most UGC-based platform brands fall into this quadrant: Facebook, for example, encourages participation from users and presents itself as an empty space for others to interact in. It allows developers to produce apps, companies to create pages, and users to share information in a way that brings in even more users, as long as they follow some fixed yet generative politics set by the platform brand.

The platform brand acts as a moderator, providing stimuli and tools to consistently encourage creation and production from participants. UGC is present via the platform brand’s framework and is organized to re-stimulate sharing and communication among its users. Douban, with its brand positioning of “Our Spiritual Corner” ( 我们的精神角落 ), creates spiritual belonging for different people that share a similar interest in a particular movie, music, book, DIY activity, hobby, etc. and provide stimulation for participation in everything from photography, to travel, to buying and selling goods in an online marketplace.
Connecting more people from different places is the driver of stimulating participation platform brands. However, with so much content coming in from all around the world and from people with different values and interests, how to make it easier for others to understand, to absorb, to share, and to re-create is a big task to accomplish. Streamlining information flow, simplifying participation steps, customizing content push, and grouping shared interests which helps to create more user-friendly experiences are important.

Moreover, a balance between individual freedom and non-interrupting organization is key to the success of stimulating participation platform brands. This is called fixed yet generative politics set by the platform brand. Also, note that this positioning is not limited to UGC platform brands only. As Didi becomes almost the monopolistic mobility services platform in China, it starts to deliver a brand message of “inviting all hailing companies to jointly develop better mobility solutions for people” which suggests a tendency towards stimulating participation.

As guiding interface platform brands are most likely to be the tycoon in a single specialized category and stimulating participation platform brands are closely linked to the UGC business model, inclusive responsibilization platform brands apply to both newcomers who wish to cut through clutter and mature players developing well-managed sub brands. Airbnb initially started by creating value in vacant rooms, connecting hosts with people looking for a value-for-money short-term stay. Yet, Airbnb is also known as a hospitality industry disruptor and an advocator of the aspirational vision “Create a world where 7 billion people can belong anywhere.” As such, it goes beyond an intermediary of connecting tenants and domestic hosts and delivers a call-to-action for the world to view travel, and hospitality, in a new way. It becomes a brand with a worldwide responsibility on its shoulders and aims to change the routine of the world. It is powerful as a ‘niche’ player cutting into a stable and stagnant industry. Also, it gives Airbnb space to develop more services around the ‘live as a local’ concept, such as introducing local dining, local entertainment, local destinations of interest, and more.
What's more, organizing sub-brands under inclusive responsibilities is also a good way to ensure effective brand equity accumulation to deliver a consistent brand image to the audience. Alipay, originally under Alibaba company, is now independently branded as Ant Financial – a completely separate platform brand.

Under its umbrella are Alipay, MYbank, Zhima Credit, and Ant Fortune. At the corporate level, Ant Financial positions itself as an inclusive responsibility-based platform brand “Bring small and beautiful changes to the world”, overarching Alipay (“Build a No Cash Society”), MYbank (“Serving Small Business”), Zhima Credit (“Build a Credit Society”), and Ant Fortune (“Provide Equal, Easy and Credible Financial Service”) to organize its brands from the different emotional and functional perspectives of financial services.

**Seamless Intuition**

While inclusive responsibilization platform brands emphasize out-loud the changes a platform brand will bring to the world, seamless intuition platform brands take the quiet and unnoticeable route of supporting customers’ life with intuitive solutions that deliver emotional benefits, such as carefree, quality services, and more. It shifts the focus from what the platform offers or creates to an experience focused on life and people. Platform brands become invisible, immersing into users’ daily lives. It not only offers a user-friendly platform, but also enables an intertwined “living body” with users. The brand’s duty extends from simply helping users “make it” to providing solutions to “make it better and more suitable for you”.

For example, BlaBlaCar and Didi talk less on product offerings but more on emotional resonance, showing how much they care about delivering an enjoyable moment to users. No matter how bad users’ days are, they want users to still believe in a good quality of life.
Going further, platform brands are more than caretakers. The platform is not definitively important; the enriching experience, the enlightening adventure, the positive possibilities the platform brand enables is more so. For example, WeWork as an inspirational working hub positions itself as an enabler through its tagline “You are the creator of your life” (生活由你开创) in the China market.

Conclusion: The Positioning Space Informs Which Actions to Take

The 4 positioning spaces identified have told us different success stories of platform brands. It also provides direction to overcome the possible negative perception of monopolies, driven by network effects, and governs interaction possibilities as platform brands access an increasing number of activities across different categories.
Platform brands in this quadrant are normally an authority in a single specialized area. The platform brand is reliable and enhances your relationship with the platform by emphasizing the ease of connecting to different activities, and the accessibility of offerings that can fit with a lifestyle and personality.

Platform brands advocate stepping away from the category routine and taking on a challenge to create something better for everyone. They leverage existing pain points to portray a different and better future, resonating with challenge takers, innovators, and early adaptors to shake the existing landscape of the industry.

Platform brands here present a very user-friendly and engaging environment, allowing different people to realize possibilities in some aspects and help people with shared values and interests to find each other, enhancing the sense of belonging within the online community.

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Platform brands shift the focus from what platforms offer to what helps make the experience better. The target audiences become the center of the brand positioning; platform brands comfort, facilitate and empower users to enjoy a better mood, indulge more special moments, and achieve more possibilities. Platform brands are less visible and woven in the fabric in this case.

Last but not the least, there is no fixed view on suitability of the above positioning spaces for a single brand. Different stages of the platform brands may imply different choices. As noted, Didi’s brand positioning is changing from stimulating participation to seamless intuition as it becomes bigger in the Chinese market. However, it is never good to be positioned in different places at a single point in time. A systematic brand management is needed once the choice is made. For example, how do verbal and visual experiences ensure that the user perception of the platform brand is in line with its positioning? How are brands and sub-brands organized to create optimal synergies?
Digital Platform: Threats and Opps for Brand Experience

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Tmall, Facebook, Amazon, WeChat, Airbnb... time and time again these names come up in discussions about brands’ digital futures. For many brands, one of the main questions they seek to answer has to do with their fit into the eco-systems that these platforms create: in other words, their brand relevance to new digital behaviors.

This question while important often hides the key point of brand differentiation: how do brands maintain their uniqueness and create differentiating experiences in an age of platform domination? How does a single brand exist and stand out in a world where Tmall, WeChat and the like monopolize attention and commoditize brands?

In this article, we will seek to answer these questions, providing both theoretical clarity to the conundrum of digital platforms and laying out some practical principles for action.
The Strength of Platforms and Aggregation Theory

While definitions vary, platform businesses are generally characterized as having the 2 following basic characteristics:

1. **Enable connections and exchange between different actors:**
   Platforms exist as an interface for exchange. Tmall provides the tools and infrastructure to connect merchants with consumers. Facebook enables connections between publishers and audiences. Airbnb connects owners of un-used real estate to travelers.

2. **Benefit from network effects:**
   The strength of platform business models is linked to the fact that they benefit from network effects. Simply put: the number of participants on the platform increases its value for users, thereby triggering a virtuous circle that powers exponential growth. To take a simple example: the more merchants use WeChat pay, the more users will adopt it, which in turn will encourage more merchants to join, and so forth.

Over the past 10 years, platforms have gained strength through a phenomenon known as aggregation theory. Broadly put, aggregation theory refers to the epicenter of the value chain moving away from supply and distribution and towards user experience and aggregation.
Integration between suppliers and distributors either through direct ownership (e.g. apparel stores) or close collaboration (e.g. FMCG, automobile).

- Multiple distributors that compete with one another.
- Suppliers have high leverage and maintain a high degree of control on the brand experience.

The aggregator owns the consumer relationship.
- The supplier commoditizes the suppliers.
- Bargaining power switches to the aggregator because of its ownership of consumer experience and attention.
- No individual supplier has significant leverage over the aggregator.

As shown by the visuals, the new paradigm sees aggregator platforms leverage their ownership of the customer experience, and their near-monopoly on consumer attention, to commoditize suppliers. This new reality profoundly impacts the way brands operate and deliver value.
The Consequences of Platforms on Brand Experiences

Platforms are a near-perfect symbol of the conundrums brought about by digital transformation in that they present both tremendous opportunities and worrying challenges.

On the one hand, platforms have greatly facilitated access. Tmall, WeChat, Amazon and the likes make it incredibly easy for brands to reach consumers on a broad scale and in a cost-effective way. An e-commerce platform like Tmall offers what is essentially a turnkey solution to reaching over 800 million online shoppers, something that would have previously required either a costly physical retail network or heavy investment in an independent e-commerce website. By facilitating access, platforms also make it a lot easier for new entrants to scale and disrupt previously ossified markets.

The flipside though is the commoditization of brand experiences and loss of control over the customer relationship. Loyalty is to the platform more than to the brand, and brands’ offerings become standardized within the platform environment. It is a well-documented phenomenon that Amazon search terms are moving away from brand-related keywords to generic product related keywords. Consumers look for “batteries” more than for “Duracell” or for “black top” more than for “Zara”. In addition, platforms’ ownership of consumer attention makes it increasingly complicated for brands to bring consumers outside of the platform eco-system and towards a branded digital environment, where the brand is in full control of the user experience and resulting user data.

So what options do brands have to navigate these treacherous waters and come out ahead?
4 Principles for Action

1. Develop your platform strategy:

The reaction of many brands in the face of the rising power of platforms is one of fear and mistrust. This reaction, while understandable, is misguided — and in the end, unproductive. For better or worse platforms represent a fundamental shift in the economic order and a new division of labor between product/service providers and distribution players. Rather than falling into denial, brands must develop a clear strategy across 2 fronts:

- **Leveraging the potential of existing platforms:**
  When Burberry first set up shop on Tmall the move was met with skepticism and a healthy dose of mockery. Since the opening of their storefront, though, the brand has proved that a good platform play boosts reach (in this case reach to lower tier cities where Burberry does not have a retail presence) without completely disregarding the brand experience.

- **Creating your own platforms:**
  Some brands have the opportunity to move to the most favorable position in the value chain: that of platform owner. By leveraging existing assets or relationships they create new venues for value exchange. General Electrics is a good example: by setting up the Predix open platform to empower innovation, it positions itself as the go-to standard in the industrial IOT space.

2. Differentiate your brand:

For decades many brands have built their success on distribution footprint or media buying power more than on real brand differentiation and relevancy. By commoditizing brands and democratizing consumer access, platforms have leveled the playing field. In an age of infinite supply and instant access, consumer behavior within aggregator platforms is becoming increasingly brand agnostic.

To stand out in this environment, brand differentiation and relevance are more important than ever. We are moving towards a future where a select group of brands will be looked for by name while others will become either an isolated element in a feed or a single result in a generic search term. To make sure that they fall into the first category brands need to double down on clarifying their value proposition, building differentiated products and supporting them with a brand message that stands out and resonates.
3. Optimize your brand experience for platforms:

While platforms certainly drive brand commoditization, we reject the notion that it is outright impossible to create strong brands through platforms and differentiate in a platform environment. Brands like 三只松鼠 (sān zhī sōng shǔ), or “Three Squirrels” (a Chinese retailer selling nuts and other healthy snacks through Tmall and other e-commerce platforms), prove that platforms don’t mean the end of brands but rather the rise of new types of brands created from the ground up with the new digital paradigm in mind.

Client Story:
MADJOR recently worked with a large PCG brand to optimize their brand identity for new digital touch points. The brand experience was still designed with traditional 30 second TVCs, supermarket POS activations and print ads in mind. Meanwhile the brand was not being expressed properly on social media and e-commerce platforms because of a lack of adequate assets and internal processes for online brand identity management. Just like this client, many brands still do not optimize their brand experience for digital platforms, treating them as tactical channels for commerce or content distribution instead of placing them firmly at the center of their brand experience.

Client Story:
Similarly, MADJOR is collaborating with a fine foods retailer to create a WeChat-optimized purchasing experience that uses the social graph to deliver a unique social shopping experience that would be impossible outside of the WeChat eco-system. In this case, our logic was to think platform-first instead of trying to port online the brand’s traditional retail model.
4. Provide value through signature digital experiences:

Many clients of ours lament that the dominance of platforms and their monopoly on consumer attention makes it impossible for brands to bring customers into their own digital eco system and provide fully customized, branded digital experiences. It is indeed an indisputable truth that as platforms like WeChat increase their share of online time, bringing consumers outside of these familiar interfaces is becoming increasingly complicated. However here too there is no fatality. Customers are still hungry for unique digital experiences and willing to embrace them provided there is real value beyond the platform walls.

Nike for instance uses its unique Nike ID service to provide value beyond what existing platforms offer and create a differentiated digital brand experience against its competitors.

Client Story:
MADJOR recently collaborated with a top high-end cosmetics brand to help them re-think their e-commerce eco-system and identity features such as product engraving or skincare regimen recommendation tools that could be offered on their branded e-commerce site to differentiate against 3rd party platforms.

How Does Your Brand View Digital Platforms?

Platforms are a deceptively simple business model. They represent one of the most important trends at play in the digital landscape and one of the key drivers of digital brand transformation. Facing this trend means acting on 2 fronts: adapting to the new reality while avoiding being swallowed whole by the brand commoditization phenomenon. A complex balancing act for sure but one on which the success of many brands will depend.
Platform brands exist in every industry, but the considerations are not all the same. In finance, where hundreds of companies now specialize in using new technology to offer financial services, digital platforms create a new category of platform brands with its own set of design principles.

To put this in perspective, the Internet Finance industry (also known as “Fintech”) in China has boomed in recent years. The country leads the world when it comes to total users and market size, with 3 main categories: mobile payment, financing, and wealth management. The main players in the internet industry (Alibaba, JD, and others) have developed strong Fintech platform brands already.

For platform brands in Fintech, design helps define a platform’s safety and reliability. This article will explore the design of platform brands in Fintech, looking at traditional banks, global Fintech brands, and Fintech leaders in the China market. Finally it will uncover 3 key elements of designing for trust.
Design in Traditional Banks

First, let’s take a look at how the traditional players in finance: it is important to first understand the design roots of financial services before getting into the design of Fintech platforms. From the get-go, there is a clear focus on a consistent application across the wide range of services. How else are major banks introducing the key design components of financial services?

| Logo Design |

As one of the established brands in the international financial market, Citi has a wide range of sub-brands that provide different services. The iconic ‘travelers umbrella’ symbol is the most recognizable element in the logo, symbolizing the company’s efforts to keep its clients satisfied and secure against all sorts of financial upheavals. The design of the Citi Ventures logo, which invests in Fintech initiatives such as Square, Chain, and Betterment pull from these visual assets.

The brand colours, blue, red and grey also play an important role in the logos, they can also be applied to the sub-brands which are not formed with customized logotype but also create the visual connectivity among the master brand and sub-brand logos. The visual consistency is applied throughout the brand portfolio, giving users a sense of trust across services from investment research to financial technology investment.

The logo design in BNP Paribas brand architecture shows the high consistency of the brand elements. The basic logo structure consists of the brand name, descriptor and the group signature, the four stars “taking flight” emblem, a symbol of dynamism and progress, is a strong visual asset in all the logos, to build a memorable brand identity. The colours of the symbol and logotype are also applied throughout the logos.
For those newly acquired companies, such as those specializing in Fintech, the existing logo is kept as the visual asset of the brand. The BNP group signature and descriptor are added for masterbrand endorsement.

### User Interface Design

Even before designing platforms specifically for Fintech, the user interface design of online touchpoints give a hint at design principles. Citi’s signature blue is the most recognizable element to the users: it creates brand awareness and visual impact. The customized brand typeface is applied in the text heavy application design; it brings out the unique character of the brand and also ensures the legibility.

For BNP Paribas, beside the primary green colour, a range of secondary colours are widely applied across platforms. It helps to organize the hierarchy of the information, as well as differentiate the user interface. A special typeface is used in the mobile app, designed to be narrower to save more space for content in the limited mobile format.

While L’Atelier (PNB’s Fintech division) develops a Fintech-specific platform to achieve awareness, there is a clear design focus for the major banks: they are able to deliver a strong level of consistency across logo structures and specific platform applications. This establishes a heritage and trustworthiness that plays to their strengths. Newly acquired Fintech brands should fit into this.
Global Design Trends for Emerging Fintech Brands

Up-and-coming Fintech firms know that design plays an important role in connecting with the consumers. The resources also need to be focused properly for the optimal design impact: worldwide, there is a range of different colors applied, representing different aspects of finance and technology. Logos typically denote immaterial shapes, while a visual tonality of cleanliness and consistency helps establish trust with users.

Logo Design
Most global brands in the Fintech area deliver the values of sustainability, flexibility, and modernity by using abstract symbols in logo design. The graphic components are simple and clean. In terms of colours, luminous green, blue, purple and other neutral colours are widely used to represent the accessibility, techy and mobile aspects of financial technology.

User Interface and Application Design
Simple launched in 2012, offering a forward-thinking and tech-enabled alternative to traditional banking options. With a slick web UI and mobile app, Simple set itself apart from the monolithic banking products of the day.

The visual identity system reflects the brand name and the tagline: “Save easily, bank beautifully”. The brand colour and idea of “simple” are applied throughout the logo design, UI design and the application system. The overall look and feel appears in light blue and white, bringing out the brand tonality of simplicity and cleanliness.

For Simple and many other brands in the global Fintech space, the ability to apply brand tonality across the visual system is important to establishing a consistent experience that can stretch to different applications.
Design for Leading Fintech Brands in China

In China, platform thinking has allowed some of the biggest brands – in areas as diverse as e-commerce and social media – to already establish a presence in the Fintech space. These platform brands are strong in managing multiple brands within a single umbrella, and have remarkable consistency while still emphasizing the flexibility in their portfolio to call upon different aspects of the visual system to bring out different emotions.

These platform brands also pull from heavy experience in designing digital platforms to offer best practices as applied to Fintech platforms, with a strong range of innovation in design.

Logo Design

This is especially important when multiple brands under one umbrella come into play: these logos are viewed together, reinforcing and supporting other logos in the portfolio.

Ant Financial, for example, is the largest Fintech service group in China. Businesses operated by Ant Financial and its invested/controlled companies include Alipay, Ant Fortune, Zhima Credit and MYbank, covering services across online payment, wealth management, and financing (independent credit scoring and private banking).

The visual architecture of the logo shows how the master brand visual assets are applied in sub-brand logos. You can see the primary blue in the Alipay and Ant Fortune logos, to express the common values of financial services – trustworthy and reliable. On the other hand, Zhima Credit and MYbank use a fresh blue to green gradient, to promote the new type of services to the young and mobile generation. Stylized sans serif Chinese logotype keeps the modern style of the internet industry.

JD Finance, another market leader, provides online financial services such as e-wallet, online credit and crowdfunding. The company was founded in 2013 and is headquartered in China; JD Finance operates as a subsidiary of JD.com, Inc and was ranked No. 10 globally in KPMG’s 2016 Fintech 100 list.
From the visual architecture, we easily understand that the logos keep a highly consistent appearance of the brand identity system. The customized logotype plays an important role in logo structure, as it visually connects the masterbrand and sub-brands with a unique JD identity. The primary colours, red and silver, are also applied into the sub-brand logos.

**User Interface Design**

A unique aspect of Fintech platform brands is that the experience is all within the UI. Whereas in traditional Finance, the brand experience stretches to many other touchpoints such as in-store experience, call centers, and traditional mailing; in Fintech the entire experience occurs inside of the digital platform. Of course, leading companies invest a lot of effort into the UI of these digital platforms.

Alipay is a third-party online payment platform, launched in China in 2004 by Alibaba Group and its founder Jack Ma. According to an analyst research report, Alipay had the biggest market share in China with 400 million users, with control of just under half of China’s online payment market in October 2016.

The mobile app shows the primary brand colour: light blue is applied to the background, the text as well as the icons, to bring out the brand values: trustworthy, fresh and young. It also keeps the brand’s visual consistency from online to offline (such as in merchant QR codes). There are some other secondary colours used in the icon design to highlight and promote particular services.

China’s second-largest e-commerce company JD.com has added an innovative layer to its mobile platform, through which third-party financial institutions can build and operate their own investment product sales platforms.
The JD Finance mobile app includes all the functions under the masterbrand. Users are able to access all services in one digital platform, the brand has a great opportunity to create a holistic brand and user experience for the user. But as we can see from the landing page, the promotional key visual and the icon design lack connection to the masterbrand.

For brands like Ant Financial and JD Finance, design elements like logo organization and user interface are already second nature, refined and tested through other platforms. Fintech platforms from these market-leading brands carry best practices of digital platform design to the financial industry.

**Conclusion**

Fintech is booming in China and growing in the worldwide market. The question of how to create and make the brand sustainable becomes a challenging topic, but there are some common values that financial service always emphasizes – trustworthy, safety and convenience.

The values should be considered when the brands create their visual identity system. **Maintaining the visual assets from the well-known masterbrand** is a possible approach, as it helps the users to connect the sub-brands with the masterbrand visually. **Simple, straight-forward and clean look and feel** also conveys the accessibility and easy-to-use values to the young and techy target audience of Fintech.

No matter the visual identity direction, **application is even more important**. Besides the logo design, which is a first touchpoint for users, the UI design is the primary touchpoint that users interact with. The visual assets must be applied into the UI not only in common touchpoints but with the breadth and depth that allows the visual system to expand to as many touchpoints that appear in the digital platform.

To help design for trustworthy experiences, platform brands with different Fintech focuses prioritize different aspects:

- For traditional banks: consistency in design
- For Fintech brands: consistency and flexibility of design for numerous touchpoints
- For leading Fintech brands: consistency of the visual system has such breadth that it is flexible across touchpoints, and able to expand effortlessly to new areas of the platform brand as needed
Blockchain Your Brand Promise: How to Leverage the Blockchain as a Brand Manager

There is no shortage of research on the Blockchain and its implications for disrupting current technologies. Indeed, while the Blockchain started with grassroots projects supported by underground web communities, it is now gaining traction in mainstream brand applications, such as in tracking the origin of a luxury handbag, or ensuring the quality and delivery of sustainably sourced beef – all examples that are happening here and now.

A brand is a promise but a good brand is a promise kept. With big corporations exploring ways to act small and discovering how to offer a deeper connection to the brand, it becomes evident that the new generation of brands is purpose-driven, with a reason to exist beyond the company’s turnover.
Rather than discuss in-depth the effects of the Blockchain across societies and economies, it is important for brand managers to understand the technology and its consequences for brand management: especially in an age where only a few brands have gone beyond the tactical, entertainment and engagement-driven transparency to successfully imprint a brand story across touchpoints.

This piece challenges why a consistent brand promise is vital and how evolution of the Blockchain enables this, offering 4 real-world examples of Blockchain in branding, and providing 4 implications for branding experts as the technology reaches adoption phase.
Understanding Blockchain as Brand Managers

Some think that being far removed from IT and digital and the Blockchain rush, this evolution is not of any importance to them. But it does matter.

Much like electricity or the internet, the Blockchain is a general-purpose technology that has systematic effects on the structure of our societies and economies. Any brand’s manager in 1995 was concerned by the internet, and in much the same way any brand manager in 2017 should pay attention to the Blockchain. So: as a brand manager, what is important to know?

The Blockchain evolved with Bitcoin, a crypto-currency (peer-to-peer version of electronic cash). To make Bitcoin secure, a system was needed to track all Bitcoin movements; this system, what we call the Blockchain, acts like a digital ledger, ubiquitous and unchangeable. Similar to the evolution in institutional banking in the 20th century, this system does not require a 3rd party for validation, because the Blockchain is in itself a de-centralized log that protects interests.

Defined by Gartner, the Blockchain is a distributed ledger in which value-exchange transactions are sequentially grouped into blocks. Each block is chained to the previous block and immutably recorded across a peer-to-peer network, using cryptographic trust and assurance mechanisms. Depending on the implementation, transactions include programmable behavior.

Mid-last year Gartner announced the addition of the Blockchain to their “Hype Cycle for Emerging Technologies 2016”, which specifically focuses on technologies showing promise in delivering a high degree of competitive advantage over the next 5 to 10 years, when the technology reaches mainstream adoption.

▲ Gartner Inc.’s Hype Cycle for Emerging Technologies
On the other hand, a lack of trust is linked to a list of issues, disturbing societal norms and shifts; contradiction between what is being promised and what is realized; brands declaring commitment to a certain set of core values only to disappoint customers at certain times. These actions drain the trust built up in the brand. Contradictions in the brand’s “walk and talk” result inevitably in wide repercussions, as seen with the recent happenings around United Airlines, to name an example.

Now, imagine that it is not even possible to disappoint your customers as a brand; that your delivery of the brand promise is spot-on and delivered consistently each and every time! Guaranteed, 100%.

Although many questions still persist on what the true benefits are, how real the opportunities are and how broad the adoption will be, Gartner explains that the programmable economy, enabled by distributed computational resources evolving from the Blockchain and distributed ledgers, represents a massive transformation of global economic systems, industries and businesses – and that business leaders and policy makers must begin preparing now.

The first opportunity for brands is to reinforce how they deliver their brand promise.

It has always been essential for a brand to deliver upon its promise to consumers. But in today’s digital world, an inconsistency between the brand’s promise and delivery are sometimes instantly fatal. It is true that the digital ecosystem – and with that, all the social media channels – help in bridging the gap between the brand promise and delivery, as it encourages a constant conversation with the target audience and enables communication in a direct and authentic way. As mentioned earlier on, however, there is a real need for brands to go beyond surface-level engagement to show their brand promise across digital dimensions.

A brand’s story, or promise, is a fundamental part of the brand; the inner-beating heart and mojo that lets the brand build up its trust and stay close to its fan base. Brand trust results in the strengthening of brands’ Esteem and further pushes brands’ Influence to let them endure in each of their industries.

Brand Promise, Brand Trust, and the Blockchain

The four pillars of brand equity

Brand Promise, Brand Trust,
and the Blockchain

LABBRAND.COM Blockhain Your Brand Promise: How to Leverage the Blockchain as a Brand Manager
The idea that the value promised by the brand to its stakeholders is identified, captured, analysed and transferred via digital hard-coded records of transactions, enforced by highly-sophisticated cryptography and validated by a network of computers through a shared registry – all without being dependent on any third-party or middle-man – is the concept of branding with the Blockchain. It allows a brand to build trust directly with customers through experiences backed by hard-coded consistency. Over time, these experiences accumulate and an increasing amount of "trust equity" is formed.

**Examples of Brands and the Blockchain**

How is all of this applied to brands today?

As any transaction of value has the option of using Blockchain technology in order to meet the need for a trustworthy record, the Blockchain is evolving from a digital currency infrastructure into a platform for digital transformation.

While the lion’s share of the hype around the Blockchain still goes to the financial industry and transactional security, brands here and now are bringing the Blockchain to a brand value level as well.

**Example #1: Walmart**

A recent example in China is Walmart teaming up with IBM and Tsinghua University in Beijing, using the Blockchain to digitally track pork from field to fork. The private database records the transactions, indicating where and how the meat came to be. This leads to complete transparency in how the meat is sourced, and gives the consumer the feeling of being treated fairly: the data cannot be altered. This links back to the brand’s promise.

**Example #2: Shanghai Fashion Week**

How is the Blockchain used to market a product in a much more "authentic" way? The fashion brand Babyghost partnered with the Blockchain platform VeChain during the last Fashion Week in Shanghai. The collaboration brings digital experiences to consumers and enables them to build up a personal connection with the products they own by ‘proving’ the authenticity of the product: customers scan the tags on their phones to find the detailed information, or "story", of each handbag.

**Example #3: Open Bazaar**

Products and services alike are impacted by the Blockchain. Open Bazaar, an online marketplace similar to what the next generation of eBay could look like, uses the Blockchain to assure members of their store’s safety. The core principle – "no one can take down your store, ever, for any reason" – is hard-coded in the Blockchain. No matter what changes in the company, that brand promise is always delivered, offering vendors security when they set up shop.
Example #4: Provenance

Companies have also emerged that operate as technology specialists in Blockchain, while understanding the basic values of brand trust.

Provenance, for example, provides the technology for a completely transparent supply chain, applicable to businesses sourcing fish, fashion, cotton, coffee, flowers, and more. As a result, consumers always know where their order comes from, no matter the industry.

Implications for Brand Managers

With these examples come several implications about the effect of the Blockchain on brands’ management, both today and in the future.

For business

Use our tools to keep your business competitive and secure consumer trust - now and in the future.

▲ Provenance's technology applies to any industry with a supply chain

Transparency in product life cycles:

Blockchain technology gives brands the ability to provide both transparency and the story of their brand and products to acquire greater trust and brand loyalty throughout the product lifecycle, from the source of the supply chain to in-store conversions. This means a brand story is formed from the roots of the brand, with a keen sense of the challenges ahead.

Accountability in a de-centralized system:

The Blockchain proves the commitments a brand makes, as these brand values are entered into a system which cannot be altered. It offers an indisputable reference point for the commitments a brand makes, they are locked into the Blockchain for all-time. Mindfulness therefore is important when determining a brand’s set of core values.

Exploration in how to deliver value proposition:

Besides the aforementioned protocols, the Blockchain opens up other opportunities for brands to deliver value, for example an online magazine subscription which promises to be unique in its relevant knowledge sharing, or charges to read-per-article; or an international haircut brand that sets prices at a fair percentage so as to always offer customers a good deal – both examples of micro-monetization.
Conclusion

Whether Blockchain will truly represent a new opportunity for companies to communicate and demonstrate their trustworthiness will be seen in a couple of years, at the start of when mass adoption is projected.

Until then, since brand promises have always mattered to consumers and continue to have a profound impact on business outcomes, there is abundant time to focus and/or refocus on your brand promise and brand experience.

In a research study by Gallup from 2015, the highest-performing companies in their database deliver on their brand promise only 75% of the time, according to their customers. With a high level of customer engagement, these brands already surpass their competitors in terms of profitability, revenue and relationship growth.

No matter the industry or the fact that a brand is product or service, B2B, B2C, or B2B2C-oriented, its brand promise lives and dies by its employees and their ability to consistently act on it… well, still for now that is!
Gold, Dragons, Chips and Trips: The Semiotic Future of Credit Cards

Ray Ju and Susan Moon
Corporate Branding and Brand Strategy Teams,
New York

In 1949, a man named Frank MacNamara was dining in a restaurant in New York City when he realized he was without his wallet. With no way to pay for his dinner, the idea of paying with credit was born on that fateful evening through the first-ever consumer-facing credit card company called the Diner's Club. Little did Frank know how widespread the credit card would become in our modern day.

The sign-now, pay-later way of life has come a long way since the 1950s. In 2016, digital payments in the US have eclipsed cash payments for the first time, and the physical and digital world of payment are converging. In China, over 100 million new credit cards were issued by the 11 listed commercial banks in 2016 alone. In the US, 72% of consumers were found to have at least a single credit card by 2014.

As an original member of the Diner's Club predicted that "The day will come when the plastic card will make money obsolete," we are now at the edge of a new frontier where credit cards have become less and less about the plastic rectangle itself.
Credit cards are multi-dimensional, off-line platforms, connecting both the diner with the restaurant, and the holder of the card with any other diners who might share the emotional preferences (or premium credit line) represented by the card. Platforms bridge the space between entities, not just via online service centers, but through physical objects that enable a transaction. Credit cards comprise their own category of platform brands with a unique set of considerations.

Today, we see credit card issuers facing 2 major challenges:

1. Overcrowding: With so many credit card choices, yet a similar portfolio of services and perks now seen as a commodity offered by every provider, how do credit cards provide an offering and experience that truly stands out?

2. Disruption: With more and more consumers making the shift to digital payment services, how do credit card providers stay relevant as a financial service as well as a commodity?

In an impending future where a plastic rectangle may no longer be the predominant medium for paying with credit, we believe semiotics provides an answer to how credit card companies can develop new directions for innovating around the plastic swipe experience.

To understand how credit card companies are currently addressing the needs and desires of their customers, we rely on a semiotic approach to guide us through evolving credit card communication codes and cultural signifiers in both China and the US.

China: A Saving Culture Gains Spending Power

The role of the credit card in different countries is largely influenced by the prevailing cultural contexts. For example, in countries such as China, saving is traditionally lauded and borrowing is perceived to be shameful. As the saying goes, “food in hand, no panic in heart” (手中有粮，心里不慌), which also encapsulates the Chinese mentality around money.

However, Chinese people’s comfort with borrowing is increasing with an increase in personal wealth. With more and more options offering speed, convenience and efficiency, credit card penetration is projected to grow from 16% of the population in 2014 to 44% by 2025. Even so, caution has not been entirely thrown to the wind as a close eye is kept on China’s doubling household debt figure in proportion to its GDP over the last decade, climbing as high as 40.7%.
China now is a spending power with a saving culture at its root. Understandably, credit card issuers in China focus on the functional benefits, or in other words, practical interests when communicating their products and services.

Here are 3 examples representing the communication of credit card companies in China today:

<table>
<thead>
<tr>
<th>Receding Code</th>
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<tbody>
<tr>
<td>Straight-forward messages conveying incentives and discounts that a credit card has to offer in everyday spending.</td>
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<tr>
<th>Dominant Code</th>
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<tbody>
<tr>
<td>Communication is built around the topic of travel, showcasing the benefits of using the credit card while traveling abroad such as cash back, gifts, more convenient visa applications, and more. The communication is often categorized by travel destination, i.e. Europe, Asia, America, etc.</td>
</tr>
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<tr>
<th>Emerging Code</th>
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<tr>
<td>The emerging theme centers on the convenience of using credit cards for digital payment, either through 3rd party platforms such as Apple Pay and Alipay, or through apps developed by the credit card issuer.</td>
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</table>
US: Rebuilding Trust & Resilience in the Aftermath of the Financial Crisis

Events that dot our histories also influence the overall sentiment around credit cards. Still recovering from the collective memory of the 2008 mortgage crisis and subsequent recession, the US has also been grappling with a host of security issues. Between breaches of major stores such as Target and Chipotle appearing as a frequent headline, and cases like the more recent 2017 Wells Fargo scandal, consumer confidence in financial institutions continues to unravel. The shockwaves emanating from these events point toward an all-time low in the level of trust for banks.

In the case for the US, bridging the trust gap with customers may require companies to go beyond functional benefits of credit cards to conveying a level of assurance through emotionally resonant communication.

Here are 3 examples representing the communication of credit card issuers in the US today:

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Receding Code

Location specific and community-building images to tap into local pride and collective progress.
Selected celebrities that emanate confidence and likeability and endorse the product in relatable and quotidian contexts. Traditional shades of blue and red are used to convey trustworthiness and dependability.

Location agnostic and opening up a universe of possibility to those who seek it. The focal point is transcendent experiences, and backdrops convey infinite adventure.

With these expressions laid side by side, we see a stark contrast between the communication approach in China versus US. While communication in China focuses heavily on the functional and economic benefits of credit card use (convenience & rewards), we see the U.S. emphasizing the accompanying emotional benefits (taking control & being adventurous) that happen along the journey facilitated by a credit card.

With these communication themes in mind, we next look to the physical credit cards themselves to discover what they reveal about cultural values that have evolved over time.
Signifiers and the Stories They Tell

Since the 1980s, credit cards in the US have undergone shifts both subtle and substantial that have changed the credit card experience. Take for example the Capital One Venture card. The card has metamorphosed into a sleeker, simpler version of its former self:

1. Several hierarchies of information → Tiny microchip
2. Plastic material → Metal
3. Several images of Passport stamps → 1 embossed & textured passport stamp
4. Golden background → Deep royal blue color

Similar riffs on texture, color, and material have occurred across several premium credit cards such as the Chase Sapphire Reserve, Discover it, and Chase Ink cards to embrace codes of exclusivity. In tandem with this visual progression, credit card brands have begun to rise above the bank brand.

As names such as Venture, Sapphire Reserve, and Ink become more prominent, bank brands themselves have retreated into the background to act more as endorsements behind the credit card.
Moreover, credit cards are shifting from leveraging strong banking codes, moving more into trust and security similar to financial services, and finally into codes of premiumness and exclusivity.

Across the pond in China, we have come a long way from the very first credit card issued by the Bank of China in 1986 and dubbed the “Great Wall Card” to signify grandeur, status, and longevity.

Other major banks soon followed suit. ICBC launched its “Peony Card” in 1989. As an auspicious signifier of wealth, the peony has long been believed to be the unofficial national flower and praised as the “King of All Flowers”.

In 1991, Agricultural Bank of China started to issue the “Golden Wheat Card”, using “wheat” to correspond with the business of the bank and signify prosperity and lasting peace.
Credit cards in China were born with auspicious signifiers, which are still largely popular, but as customer understanding around money spending becomes increasingly modernized with their wealth, more signifiers are emerging to complement and even disrupt the traditional concepts around auspiciousness.

In the most auspicious group, we find cultural signifiers that have carried over for hundreds and thousands of years – with dragons signifying power & status, and single characters conveying luck, joy or harmony. There are also signifiers derived from daily landscapes that are less auspicious but aimed at more attainable ideals such as the peony, sunflower (prosperity), mountain (stability), and architecture (grandeur).

Travel-related signifiers such as the wings, world map, shopping bags and suitcase fall in the middle to indicate yet more tangible things that are be attained through the use of the card itself. And finally, while the modern signifiers also draw inspiration from things that we see and touch – such as a globe, diamond, English words or letters – the most modern signifiers take more of an abstract turn to only include colors and geometric shapes that are more open for interpretation.
As more digital payment services and even digital credit line services emerge to disrupt traditional payment methods, it is clear that our world is headed toward a post-credit card future. As Visa’s Vice President of Innovation so aptly put it, “The magic of Uber and Amazon is that they made payment kind of disappear”. In the same vein, a 2017 research study conducted by Labbrand found that 85.6% of Chinese Millennials use mobile payment for offline purchases. Beyond that, Chinese payment platform Alipay has reported over 100 million users signed up for its virtual credit line service Huabei (or Ant Check Later). Among those, 37.4% of 27 year-olds and younger users set up lines of credit as their primary payment method.

It begs the question – what comes next for credit cards in the US and China? And how does a semiotic approach help credit cards with the challenge posed by the digital payment alternatives?
To answer that, we must be able to identify what digital payment alternatives offer that credit cards do not, and vice versa. Having foresight into what comes will require a firm understanding of the emotional territory that credit cards occupy within the manifest and latent needs of Chinese and US customers. The following perceptual map digs deeper into the drivers associated with credit usage and how they measure up to themes of security and wealth:

**CREDIT CARD DRIVERS**

<table>
<thead>
<tr>
<th>Perceptual Map</th>
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<tbody>
<tr>
<td><strong>ETERNAL PRAGMATIST</strong></td>
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<td><strong>STATUS-SEEKERS</strong></td>
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<tr>
<td><strong>DEAL-HUNTERS</strong></td>
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<tr>
<td><strong>SUBSISTENCE SPENDER</strong></td>
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**What Comes Next? Pioneering the Path Ahead**

In sum, we’ve distilled our learnings down to 3 key opportunity areas informed by semiotic insight:

1. **Emphasis on the tactile in a digital world.**

What credit cards offer that the digital payment world has not yet figured out is the fulfillment of our hedonistic drivers as human beings. White-glove experiences that reinforce the status of individuals while drawing on the senses through the tactile will maintain a strong allure among status seekers and VIP members alike.

2. **Fashion forward through variation and personalization.**

Reimagining the role of credit cards as an expression of a fashion statement is one way to support users in their goal of building up their own personal brands. Whether it be through collaboration with fashion designers on patterns and materials, or providing pathways to personalization, there is still much room to explore different variations of the credit card.
3. **Untapped potential of disruptive codes and formats.**

While exclusivity and premium codes are commonly enlisted upon among the status quo of credit cards today, codes that communicate a sense of calmness or zen are a source of untapped potential. Just as Muji has mastered the minimalistic expression, we see an opportunity for credit cards to vary their visual codes to convey ease, balance, and a peace of mind. Never-seen-before formats, such as key chains, rings, and stickers, will also continue to transform the plastic swipe experience as we know it.

Looking ahead, the opportunity for credit card companies will be to stay relevant and responsive to the evolving trust dynamics and emerging connectivity. Cashing in on the opportunity will require a semiotic eye for emerging codes and sensory experiences in order to bring meaningful innovation to the future of payments.
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