Getting brand 'Taiwan' on the map

Written by Taipei Times Editorial Sunday, 19 November 2017 04:46

Former US vice president Al Gore on Thursday visited the head office of Taiwanese electric scooter maker Gogoro in Taipei, in a visit arranged by the company.

Although the visit was not a political one — the Ministry of Foreign Affairs said Gore did not meet with any government officials — it is important in what it potentially implies for the scooter manufacturer and for Taiwanese brands in general.

Taiwan, one of the so-called four Asian Tigers, has survived the rise of China by transitioning from labor-intensive manufacturing to high-tech manufacturing, but, unlike fellow Tiger South Korea, Taiwan has lacked brands that are household names internationally while being immediately recognizable as Taiwanese brands.

Lens producer Largan Precision and electronic components manufacturer Foxconn Technology Group are the largest high-tech product manufacturers in Taiwan, but, unlike South Korea's Samsung and LG, which are as ubiquitous as Mickey Mouse, most consumers worldwide are unlikely to be familiar with Largan or Foxconn, let alone recognize them as Taiwanese brands.

Meanwhile, products from consumer brands such as Acer, Asus and BenQ are largely seen as budget products, and those from HTC have largely fallen into obscurity. Giant is recognized worldwide as a high-quality bicycle manufacturer, but few know it to be a Taiwanese brand.

Some Taiwanese brands, such as Plextor, Lite-On, Trend Micro and VIA Technologies, are only known within a niche market — those who assemble their own PCs — while other brands, such as Kavalan Distillery's whiskeys or Kymco's motorbikes and scooters, are not sold in the larger international markets, despite their popularity within Taiwan.

Japanese brands arguably gained traction around the world because, in a pre-Chinese manufacturing world, they offered the best option for many customers in the US and elsewhere, being low-cost, high-quality alternatives to US and European products.

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Eventually, Japanese electronics and vehicles appeared in most US households and people knew Japan as much for Sony, Panasonic and Honda as they did for sushi and kimonos — it was impossible to think about Japan without a Japanese brand coming to mind.

Japan later saved a failing video game industry with the US launch of the Nintendo Entertainment System console in 1985, and today Japanese animated films are shown in US theaters through Disney distribution.

South Korea's break came much later.

"As recently as the late 1990s, [LG] had marketed its products under the Goldstar brand, which US consumers viewed as low quality," Karen Cho wrote in an INSEAD Knowledge report, How LG Electronics reinvented itself in the US, in 2010.

LG then rebranded itself and invited major US retailers to tour its facilities in South Korea to convince them to distribute its products, Cho said, adding that the company refused to allow discount retailers to carry LG products.

In 1994, the South Korean government began earmarking 1 percent of the annual budget for subsidies and low-interest loans to cultural industries, Melissa Leong reported in a Financial Post article, How Korea became the world's coolest brand, in 2014.

Today LG and Samsung are immediately recognizable South Korean brands and are considered by most US consumers to be high quality.

These two countries' experiences indicate that brand and cultural awareness are inextricably connected and that branding a country's products inevitably entails branding a country.

Given the growing emphasis on environmental protection worldwide, consumers are becoming increasingly interested in purchasing hybrid and electric vehicles, but many market entries have

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been hampered by poor design or inconvenient charging solutions. Gogoro has won praise in both of these areas, as well as for its appealing design.

If Gogoro can find success in the larger world markets, it could be the product that puts Taiwan on the map. The nation's industries must push "Made in Taiwan" and show the world that these words mean "high quality."

Source: Taipei Times - Editorials 2017/11/19