

case 1-428-823 April 8, 2009

Branding Israel (B)

In July 2005, after Boaz Mourad and other members of the Brand Israel Group (BIG) completed their research and achieved successful grassroots adoptions of their suggestions, they presented their findings to the Israeli Foreign Ministry. Because it was important for Israel's branding concepts to have internal consistency and external appeal, the Foreign Ministry built from the BIG research and held additional focus groups in Europe and Israel in late 2006. It hired the firm Marketwatch to determine the current perception that Israeli citizens held of their own national brand. From the results of these studies, three test concepts were identified and, in 2007, the Foreign Ministry organized a Brand Israel Conference in Tel Aviv, which marked the official adoption of the Brand Israel efforts by the Israeli government.

When Ido Aharoni's supervisor, Israeli Foreign Minister Tzipi Livni, was presented with the results she saw "a great opportunity not only to improve Israel's image and bring economic dividends, but also to fight dangerous trends of doubt in Israel's legitimacy."¹ Showing her resolve to improve Israel's brand, Livni appointed Aharoni to head Israel's first brand management office. Livni then nearly doubled the Foreign Ministry's budget for public diplomacy when she acquired a \$4-million (US) special appropriation for the Brand Israel project. This funding was in addition to the \$3 million in annual spending on traditional *hasbara* efforts and the \$11 million for the Israeli Tourism Ministry in North America.²

In 2008, the ministry's brand management office hired a market research firm, TNS, to test the three brand concepts in thirteen different countries. In addition, a pilot project was initiated to test the concept of "Israel: Innovation for Life" in Toronto, Canada. According to Aharoni:

Toronto has been identified as a world center, along with places like Tokyo, London, Boston, and New York, as one of the potential markets for a pilot of the Brand Israel program. That doesn't mean conducting an advertising campaign, but the execution of a program that will support the brand identity. This might include initiating press missions to Israel, or missions of community influentials; it could include organizing film festivals, or food and wine festivals featuring Israel-made products.³

Published by WDI Publishing, a division of the William Davidson Institute (WDI) at the University of Michigan.

©2010 William Davidson Institute. Research Associates Grace Augustine and David Vannette developed this case study under the supervision of Professor Rajeev Batra of the Yaffe Center for Persuasive Communication at the University of Michigan Ross School of Business, and Dr. Boaz Mourad of the Insight Research Group. They thank Ido Aharoni, Lee Dranikoff, and David Saranga for their comments.

Unauthorized reproduction and distribution is an infringement of copyright. Contact us for permissions: Permissions@WDIpublishing.com or 734-615-9553