

## BUILDING THE GLOBAL HSBC BRAND



The HSBC Group is one of the largest banking and financial services organizations in the world. Headquartered in London, HSBC's international network comprises roughly 8,000 offices, serving more than 100 million customers in 88 countries and territories across Europe, Asia Pacific, the Americas, the Middle East, and Africa. Among the world's multinational banking or financial giants, few can match either HSBC's global reach or its financial fundamentals.

An aside: The HSBC Group is named after its founding member, the Hong Kong and Shanghai Banking Corporation Limited, established in 1865 to finance the growing trade between China and Europe. The Group's early penetration in Asia allowed it to make huge and immediate gains, thereby capturing a sizable chunk of the market.

HSBC's brand strategy and image have come a long way since the late 1990s. In those days, says Chris Clark, then head of marketing planning and brand strategy at HSBC Group, the multinational was '*a disassociated group of banks that carried completely different flags around world.*' In 1999, the HSBC brand was non-existent. Only five years later, its value was \$8.7 billion.

So how did HSBC achieve this turnaround? Read on.

Companies build a great brand on the back of a universal insight that resonates with target consumers. At first glance, this challenge sounds impossible. There's no such thing as a 'global consumer' – just millions (make that billions) of individual ones. That said, what great brands do magnificently well is zero in on those consumers' sweet spots.

How does this relate back to HSBC? The organization acknowledged that while consumers appreciate the value of international organizations and services, understandably they question the prevailing '*one size fits all*' global model. Customers are individuals. They want companies to treat them as such. They want to feel as though companies care about them, recognize their needs, and understand what makes the community where they live special, different, or unique.

The organization based their global brand idea and campaign on this insight. It was a courageous move. It addressed head-on the 'global-local' conundrum: do you drive for global leverage, or do you strive for local relevance?

Early on, the core team decided to focus on the differences between people and cultures and not countries. It would avoid the solemn, product-led advertising so common within the financial sector. HSBC set about developing a conversation with its customers. Its goal was to make the brand more approachable, more human, more understanding. *Why do people use financial services? What are the different emotional attachments people have to their financial belongings?*

Launched in 2002, HSBC's worldwide advertising campaign defined the distinct personality of the group's brand by introducing HSBC as *'the world's local bank.'* The campaign was developed by teams led by Peter Stringham, then Global Head of Marketing for HSBC, and Nigel Gilbert who led the global team at their advertising agency. It honored HSBC's underlying philosophy – namely, that the world is a rich, diverse place that ideally should respect different cultures and people. The ad campaign was clear, powerful, and defining. It communicated the following: *Anyone who banks with HSBC can benefit from services and advice from a company with international experience, one delivered by people who are sensitive to community customs and needs.*

The campaign ran on TV, in print and online, sponsoring key global properties such as airports in major cities, Formula 1, and World Matchplay golf. Over the



*'The world's local bank'*

course of 2002, it appeared across the eighty-one countries and territories that HSBC served worldwide at that time. Subsequent campaign expressions extended the depth and breadth of the brand's equity by adding contextual layers to the same notion that HSBC is 'the world's local bank.' In keeping with the theme of global diversity, the bank employed thirty directors to assemble HSBC's award-winning and locally-slanted 'cultural collisions' TV ads. (Individual country teams were in charge of devising culturally relevant versions of the original core idea.) Since then? Well, the results speak for themselves. HSBC has steadily risen in the ranks of the world's most admired corporations. Along the way, it's won numerous accolades, including ranking 40th amongst Fortune magazine's most-admired companies in the world, Interbrand and BusinessWeek 29th most valuable brand, and in 2003, The Banker magazine's 'best global bank'. In 2010 it was ranked No.1 in Brand Finance's Banking 500.

The group continues to grow steadily. HSBC has fully integrated its various acquisitions across the world – most recently in the U.S. and Mexico – into the HSBC Group, and today, each one carries its branding. As of 2010, HSBC is the world's largest banking and financial services group and, according to a composite measure by Forbes magazine, the world's 8th largest company.

HSBC has endured a lot of storms in the banking industry, thanks to its consistent performance against competitors, and its strong, well-defined brand. Customers across the world trust HSBC – and over the long term, too. Which again reminds us: strong brands give confidence to customers, help unify and develop a significant sense of pride in its employees, and provide value to investors. And by reinforcing its position as 'the world's local bank,' HSBC has done just that.