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Framing Chinese Advertising: Some Industry Perspectives on the Production of Culture

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Modern advertising returned to the People's Republic of China in 1979. This relatively young industry, despite growing at an annual rate of 15%, is institutionally unstable. Standing at the intersection between cultural production and commodity production, advertising is shaped by its structural relationship with the media and corporate sectors, both of which are reined in by the socialist state despite the growing trend of infrastructural diversification within these sectors in recent years. In China where media are still state-owned, changing media policies have impacted upon advertising in a way unprecedented in world advertising history. A similar parasitic relationship holds true for advertising and the corporate sector. In May 2000 a new tax law, capping corporate advertising expenditure at 2% of its annual gross revenue, predictably implicated the advertising industry in a heated debate over the crossover of regulatory jurisdiction. Justifiably, the uproar was targeted at the National Tax Bureau for its failure to consult this new policy with the official organ governing the advertising sector -- the State Administration of Industry and Commerce (SAIC). All this serves to illustrate the mutual dependence of the media, advertising and the corporate sectors on the one hand and the urgency of framing advertising research in the context of institutional studies on the other. Speaking of advertising as a cultural institution adept at communicative selling is to anchor it at the crossroads where the sector meets all other institutional forces that shape consumer culture.

This paper unveils two key issues with which Chinese advertising industry is preoccupied at the moment -- the institutional constraints of the sector and the issue of localization. An industry perspective is crucial to our understanding of what it means to talk about China's advertising culture beyond hermeneutics. Much needs to be critiqued about

representational approaches which often pare advertising down to its 'content'-- approaches made more problematic because increasingly, advertisements in China, as elsewhere, are made for target audiences to which the academic interpreter may not belong.

Advertisements need to be understood as products first, texts second. In that regard a production-centred and institutional perspective on advertising has much to offer to a field largely confined within semiological, textual (Williamson, 1978; Wernick, 1997; Kellner, 1995) and ideological studies (Jhally, 1990; Leiss, Kline, et al., 1997). A productionist approach, or more specifically, a look at the branding process that involves both product positioning and communications planning, goes beyond the immediate goal of this short paper. The industry perspective introduced here is of a modest order but issue-oriented so that the institutional conditions which gave impetus, and in turn, set barriers to the development of Chinese advertising can be teased out for a preferential treatment. Indeed, to lay the groundwork for a production-centred take on advertising, we need first to map and sort out larger issues, both institutional and cultural, that articulate telling concerns of Chinese advertising professionals. One such issue is the long-standing paradoxical relations between the socialist state and cultural institutions. A deep-seated sense of uncertainty exists between a cultural industry seeking to attain greater autonomy in management and content production and those cultural bureaucrats long used to overseeing public institutions.

Needless to say, constantly shifting domestic institutional conditions are but one factor that makes Chinese advertising such a fluid, fascinating playground for its practitioners. The complexities (and sometimes inconsistencies) of industry practices in China also have to do with the paradoxical responses of different local players within the sector to *global* advertising practices. There is a continual tug-of-war between their sentiment to contest the global norm and an equally strong compulsion to pursue it. It is foreseeable that this staple question of the local-global paradox -- a cultural issue -- will be played out in the emerging guild consciousness of Chinese ad men and women. Cultural

formations and institutional conditions are mutually implicated. I shall address them both.

Institutional Conditions

How do we understand the current tripartite power structure of the corporate/ media/ advertising sectors in contemporary China? The asymmetrical nature of power relations existing among the three sectors have been well documented (Cheng, 1996; Cheng and Frith, 1996). In particular, three irregular practices characterized Chinese advertising during the 1980s and the 1990s: (1) corporate advertisers often bypassed agencies to negotiate directly with media for advertising spots; (2) inconsistent media rates were charged by dominant, and often unpredictable media; (3) a practice of zero commission fee (*ling daili*) existed, further cutting into the shrinking profit margin of agencies (Zhao, 2002).

How have the rules of the game changed? Significantly, the three-tiers of media rates have been abolished. And it is reasonable to expect that the agency system, which the Advertising Law of 1995 already legitimated, will in time evolve more closely in line with international norms of practice as a large number of foreign advertising agencies will be able to enter China without ownership restrictions, a commitment made by China at the time it formally acceded to the World Trade Organisation in December 2001. [\[i\]](#)

But internationalizing cultural practices long dictated by local rules is a major challenge. To this day, media buying remains a highly irregular affair, deeply embedded in the *guanxi* network which even big transnational media buying companies (such as MindShare and Mediacom) find difficult to counteract. [\[ii\]](#) While the transnational media brokers' motto 'buying in bulk to control (media) price' (*yi liang zhijia*) may work elsewhere (most conspicuously in Western markets), its effectiveness as a tool of leveraging the dominant media in China is by no means guaranteed. Personal favours still permeate media practices, although demands for transparency ring louder each day. Questions remain as to how effectively China's adherence to the GATS Schedule of Commitments will move forward regulatory provisions for transparency and order. For the time being the jungle law seems to

prevail. Of all three irregular practices, the syndrome of zero commission has gotten worse since 2001 due to the voluntary participation of some transnational agencies in the aberrational practice.

Local norms and practices, although de-legitimized by the Chinese Advertising Law, remain persistent. Despite such mixed norms there is a call, consistently voiced by both industry spokes(wo)men and the state, for a normalized cultural market. Such logic lends support to the vision of a future in which a globalist agenda prevails. The voluntary subjugation of local territorial practices to global standards may yet come true. The pull of international norms in China has created a momentum that should not be underestimated. We have witnessed how the tug-of-war between the three sectors - media, advertising, and industry - has become increasingly rationalized in recent years. I say 'rationalized' because all three sectors now share a strong conviction that their fortunes are mutually dependent. Indeed, the inclination of most players is to follow the (market) rules of the game, thus bringing China into correspondence with its international partners and investors.

At the same time, however, there is an acute awareness that fortune-making in socialist China does not altogether bend to market reasoning at the expense of the state. The Chinese state remains a powerful player in sustaining the precarious balance, through policy directives, of the mutually constitutive field of interests of the three sectors. Indeed, the commercializing cultural industries in China have been serving a two-headed master -- the state and the market. And contrary to what the logic of economic liberalization suggests, both masters maintain a complicitous rather than an oppositional relationship (Wang, 2001, pp. 91-92.)

The urge to rationalize and the desire to remain dominant represent a period of high drama in a long-running saga of media control. China flies in the face of the globalising logic of decentralization. While the diversification (if not liberalization) of broadcast media structures -- mostly in the 1990s -- appeared to have diminished the capacity of the Chinese nation-state to manage its media sector (Donald and Keane, 2002, p. 207), the

Chinese leadership reacted quickly by using the WTO accession as a gambit to tighten its grip on both programme production and media infrastructure. The China Cable Network Co., majority-owned by the State Administration of Radio, Film and Television, has endeavoured to absorb dozens of small cable operators to eventually run one-third of China's cable-TV market. (see China Online, 2001). The 1990s phenomenon of press conglomeration (Zhao, 2000) is now being re-enacted in the audio-visual media sector -- an interventionist strategy engineered by the state to upgrade scale economies through merger policies that in principle at least are replicating the mergers of transnationals on the global stage. In December 2001, a number of state-owned broadcasting companies merged to form the China Broadcasting, Film, and TV Co. (Nanfang Daily Urban News, 2001). This new media conglomerate will take over 'the management of the central platform through which foreign TV companies transmit satellite signals to China' (China Online, 2001).

This new game called 'consolidation' (*zhenghe*) is not simply a top-down authoritarian model of the past. Nor is it necessarily being critiqued by those who have a stake in autonomy. The official move toward media recentralization through mergers and takeovers seems a running order that provoked surprisingly little alarm in the media sector, which was too distracted during and after the WTO accession period by how to leverage foreign media competitors to scrutinize the latest measure of state intervention. The industry's siege mentality has indeed been conducive to the state's legislative initiative of creating local media giants. China's entry into the WTO renewed the old issue of state capacity in new terms of 'market governance' -- a demand now brought forth by none other than the spokespersons of cultural industries themselves. As Chinese media companies position themselves for negotiations with AOL Time Warner, News Corp., and other foreign content production companies, many are looking up to the state to deal the cards and deliver them a strong hand. At least one familiar scenario of the 1990s is already in flux -- 'decentralized media vis-à-vis a weak state.'

In the coming years, the re-centralization of the television broadcast media and the

ensuing chain reaction of the spill-over effect of media conglomeration may possibly impact on the advertising sector as well. An example is the China Film Group Corporation, the national body that is responsible among other duties for managing and distributing film rights in China. To answer the government's call for cross-sector expansion of business opportunities, the corporation recently formed an advertising joint-venture in Beijing with Dentsu, the Japanese advertising giant. To what extent this type of crossbred merger initiative will open up new advertising practices is a question worth observing.

Of course, the government's call for cultural industries to 'grow in size and capacity' (*zuoda zuoqiang*) should not be taken as a mere peremptory directive sprouted from the vacuum. Beset by the leap forward mentality, the Chinese state is often the first to respond to the quick turnover of global business models. Strategies of concentration and consolidation are undeniably global in character. Therefore, recent industry re-groupings should also be seen as an inevitable outcome of the (national) local's response to emergent global models, although in this case, it is intriguing to watch how the global agenda feeds the state's agenda rather than weakens it.

The re-consolidation of China's broadcast media in response to international pressure is likely to have further repercussions for China's advertising market, which has performed strongly even despite the scissor-hold on the carefully monitored media environment. A quick look at the most tightly controlled domain -- media content industry -- may shed some light. Despite various constraints that the state imposed on content de-regulation, a small handful of foreign magazines (e.g., Newsweek, Forbes, etc.) and broadcasters (AOL Time Warner's CETV, Phoenix InfoNews, Bloomberg TV) did crack open the market in limited locations (i.e., south China) and generate a boost in advertising revenue from both local and transnational advertisers. [\[iii\]](#) An executive of the magazine *Fortune China* has reported that local Chinese advertisers contribute to roughly 30 percent of its advertising revenue (Young 2003).

The most unlikely stakeholder is the government sector itself. In a strategic move toward

revenue sharing, Phoenix Satellite TV launched a joint-venture with the state owned Guangdong TV Broadcasting Development Centre. The assistant general manager of the dominant Hong Kong broadcaster TVB (itself aspiring to be a major player in the Chinese market) says it all: 'Landing rights alone are meaningless. What really matters is the sharing of ad revenues' (Hui *et al*, 2003). In the end it is the regulatory authorities that sanction such joint-ventures and set the terms of advertising deals. Whether such a deal is rough or generous (for the foreign broadcaster) depends ultimately upon how big the financial stakes of local cable operators are -- as they will no longer be allowed to edit or run their own ads over those of the foreign broadcaster. From the locals' point of view, then, an interventionist measure is sometimes indistinguishable from a protectionist policy. This poses a significant challenge to how we interpret the institutional history of Chinese media and advertising. The institutional conditions under which local content industries are operating may often be both constraining and enabling. The crucial question may be: In what terms are they defined and who benefits?

The Local/Global Paradox or Nexus?

As stated earlier, it is crucial to build advertising research around industry perspectives that give a visible place to the conceptual tools and trade logic of practitioners. Industry perspectives have hardly featured in academic criticism, which tends to de-link the finished product (i.e., an ad) from its producers. In this section, I will use debates over the local-global paradox in advertising as an analytical window through which we can access some key concepts of branding, communications strategies, and creative execution. China's entry into the WTO has worked to sharpen Chinese advertising practitioners' sense that their profession transcends national borders. Belonging to a greater global community of specialists brings with it a greater guild consciousness. But at the same time, the call for 'localization' by Chinese ad professionals has never died down. It was revived at the turn of the new century as both a marketing doctrine and a cultural imperative to be reckoned with by local practitioners.

Locality, a vital issue for advertising industries worldwide, coincides surprisingly with one of the most important research questions in academia -- globalization versus localization. In the context of Chinese advertising, the localization agenda is pertinent in two regards: as a content issue, and as a business model. I will address, in succession, the delivery of local content and Chinese contestation of the American model of professional advertising associations. But first, I would like to reiterate that localization is not exclusively a local concern. 'Going local' now sits high on the agenda of transnational advertising agencies operating in developing countries. The following analysis will concern several strategies of content localization adopted by domestic and transnational agencies, and in the process, I will complicate the (local) content question from industry perspectives.

The Harbin Coke Commercial

It seems increasingly difficult to say anything new about the local/global paradox -- or indeed its nexus. There is no need for me to repeat the now familiar argument: that those two concepts and practices are mutually constitutive. More than one critic has spelled out that 'globalization has resulted in a heightened or exaggerated sense of locality, local identity, and local cultural distinctiveness' (Averill, 1996, p. 219). Therefore, we should not be naïve about the 'local content' of commercials commissioned by transnational corporations (TNCs). A good place to begin our discussion is the Coke commercial shot in Harbin. A 60-second TVC (television commercial) built on the visual motif of the windmill, it offers a *mis-en-scene* of North China, complete with a soundtrack of festive Chinese music. We witness small children donned in Chinese cotton jackets running around in a rich sea of Chinese red -- red sails at the harbour and red windmills blowing in the north wind in a remote rural village where peasants, old and young, are cheerfully greeting what seems like the new year's fresh snow. And of course, a Coke bottle coloured in the subtle shade of Chinese red emerges in the final shot to solve, light-heartedly, the mild suspense created by the seemingly purposeless assemblage of random shots and images.

An executive at the Atlanta Coca-Cola headquarter testified to the enormous success of this

'local' commercial which has also been well received in other parts of Asia, Europe, and America (Asian Television Commercials, 1999). The Harbin Coke commercial will go down in the corporate history of Coca-Cola as a well-executed example of the new motto of the transnational soft drink giant - i.e., 'think *locally*.'

But is the cultural identity of that commercial 'local'? From the industry point of view the answer is by no means that simple. The communications strategy and creative execution of this TVC seem to have gone local. But its visual language is clearly Western -- tilted camera angles coupled with compositions dominated by strong visual cues. One should further note the total absence of a narrative cushion (to which Chinese TV viewers are most accustomed), against which the meaning of loosely-strung images is usually reconstructed. To top that, the brand personality underlying those visuals is unfailingly the same old Coca-Cola that we have known since the old days of its Hilltop campaign and 'Mean Joe Green' up to the present -- a happy, warm, rosy cheeked, communal, reverent, festive, and fuzzy personality. This commercial drives home a pedagogical lesson for those who celebrate the emerging 'local' sensibilities of the McDonald's, Coke, and other TNCs. Precisely because there is a burgeoning Western *market* for 'difference' (i.e., the exotic sells), accentuating local content has more to do with the TNC's new marketing strategy than its promotion of local cultural specificities. Not surprisingly, the total disappearance of the word 'global' in the new Coke company mantra -- 'Our business is local, close to home' and 'think locally and act locally' -- has strengthened the company's portfolio and pushed its sales up to fifteen billion U.S. dollars each year. Can we take the signifier of the 'local' at its face value? I am afraid not.

We greet a different scenario when we turn to *domestic* advertisers attempting to localize their product. We will take a critical look at a few strategies -- both successful and failed strategies of localization. Chinese advertisers of the past decade have delivered at least one historical lesson -- pitting the local against the global in simple antagonistic terms was, and remains a losing formula. There were many such examples in the mid-1990s --of

self-conscious nationalist strategies deployed against American brands. Shanghai's Ronghua Chicken franchise was set up in contestation with the Kentucky Fried Chicken; a Beijing soft drink called *Huabang* (The Chinese Nation) declared its opposition to Coke and Pepsi; Red Sorghum Noodle Shop opened up in defiance of McDonald's. They all created fleeting sensations in the press but brought in no cash. A more recent example is *Feichang* Cola (*Unusual Cola*). It was critiqued by industry professionals for playing the nationalism card while mimicking Coke in its product design. Its jingo, 'Feichang kele, Zhongguoren ziji de kele' (Unusual Cola, Our Own Cola), fell on deaf ears of Chinese consumers. All those examples tell us that the appeal to nationalist sentiment does not work in times of peace and affluence. [\[iv\]](#)

So we ask: as the TNCs' marketing strategies changed from the franchise approach to global branding, and now to the seemingly decentralized approach of multicultural creative executions, what kind of new strategies does a self-conscious locality like China come up with in response? I will discuss two examples. Both point to innovative strategies of localization. The theoretical value of each case resides in the fact that they are no longer trapped in the oppositional logic of the global vs. the local. It is because profit-making rather than nationalism serves as the working principle that they stand a better chance of sharing the market with foreign competitors.

Example 1: (How) Wonderful

Beijingers will soon find a new Chinese fast-food chain called *Wandefu*, a transliteration of the English word 'wonderful.' The local corporation produced a logo that looks exactly like the golden arch of the McDonald's but turned upside down. Instead of the big cursive M, the store sign features a big cursive W dipped in red paint against the yellow background. *Wandefu* copies McDonald's, from its logo, interior decor, down to the last details of its management style complete with similar staff uniforms. Their goal is to make money, not to contest global hegemony, although that might come as an unexpected bonus effect. In an interview, the manager of the *Wandefu* Fast Food Co. said they liked the word 'wandefu'

because it not only parodies McDonald's sentimental mantra of 'having a wonderful time' (*meihao de shiguang*), but *defu* sounds close enough to *dianfu* ('Shanghai boji, 2002, p. 135). *Dian* means to reverse. *Fu* does not simply mean to overturn. It also means *fuzhi*, to duplicate. They got a kick out of this double entendre -- subverting the original through reproducing and reversing it at the same time. It is a fascinating logic whose ingenuity lies in the simultaneous parodying and celebration of sameness and homogeneity.

Why is this marketing strategy revolutionary? Marketing is based on the concept of differentiation. Here is a classic textbook example: an ad man holds two identical nickels in each hand and tells us what he is hired for: 'My job is to convince you that this nickel in my right hand is *different* from the one in my left.' Instead of strategizing to look different, *Wandefu* thrives at looking the same, thus reversing the rule of thumb of marketing. As a simulacrum of the McDonald's, *Wandefu* appropriates the global logic of homogenization. It is a tit-for-tat for the transnationals' manoeuvring of the local and their lucrative co-optation of the local logic of difference (as exemplified by the Coke commercial). *Wandefu* may thus beat the TNCs at their own game. You ask what they sell? Hamburgers and French fries.

Example 2: 'Libo Beer is why I like Shanghai'

I now move on to a totally different strategy of localization. The product promoted is a local brand of beer in Shanghai -- *Libo Beer*. The popular Libo TVC does not use any gimmicks. It associates the brand with consumers' shared memories about Shanghai as a place in their heart. The commercial uses a simple narrative format. It proves extremely successful in reaching out to its target audience -- white collar males in Shanghai.

While we cannot yet predict if *Wandefu's* advertising strategy will click with consumers, the Libo Beer campaign has turned a new page of advertising in Shanghai. The industry analyses of its successful branding strategy are widely disseminated in trade journals. The advertising agency (Shanghai Asia/Pacific and Dabisi Co.) cashed in on a unique selling proposition that other beer competitors like Budweiser and Tsingdao cannot possibility emulate. They captured the essence of the brand identity in a tag line recurring in

every print ad: *Wo zai Shanghai Libo ye zai* (Libo Beer has always been in Shanghai with me). The strategic concept underwriting the advertising campaign is simple: Libo, an old Shanghai brand, has been with us through thick and thin. It has witnessed all the growing pains that the city and its residents have gone through (She, 2001, pp. 11-13). Invariably, all the Libo ads in this campaign trace memory spots that carry profound symbolic value for the everyday life of Shanghainese. Each of those memory spots would only resonate with the locals and evoke memories that can only be claimed by the locals. Let us take a close look at the famous Li Bo TVC. Told from the visual point of view of a little boy slowly growing up during the commercial, the TVC blends his personal memories into local, public memories. Each memory spot is associated with a particular public place in Shanghai: an early 1980s sensational swim-wear exhibition featuring female models baring their arms and legs walking down the aisle of a department store; the swarming crowd at the Shanghai stock market exchange; a local hair parlour where the now grown-up boy got his first perm (a passing trend in Shanghai); an outdoor billboard carrying the once popular city propaganda of capitalist work ethics; and skyscrapers under construction at Hengxin Square.

What does the success of this formula tell us? It validates what Judith Farquhar says about the place reserved for history in the mind of present day Chinese consumers. 'The *other* of the global' is neither local cultural essences nor timeless national identity (Farquhar, 2001, p. 125). Globalism's other is a people with a shared past and a shared locale. Not just any locale that may provide a trendy trans-local experience, but a hometown where lives are anchored and memories can be accumulated. The Libo commercial says Shanghai is the best place to be. Both Shanghai residents and industry circles revel in this message. It is that sense of confidence in the future of a locale that energizes the TVC. It matters little if academic critics contest that the cityscape unfolded in this commercial looks anonymously urban, not specifically Shanghai. [\[v\]](#) What matters to the advertiser and the agency are the responses of their target segment for whom this

campaign was tailored -- the local Shanghainese who are supposed to identify the locale in this TVC as none other than Shanghai. They obviously did.

This commercial, together with the Coke TVC, delivered an important lesson of the same order : locality sells. But is the local therefore more privileged in advertising than the global? This is a rather complex question. It depends upon which part of the branding process we are speaking of. The Coke TVC shows that consistency of the (global) strategic positioning of the product is the key. Coke may have gone local in their creative executions of locality commercials but the input of creative design and implementation to the branding process usually comes in towards the end. It is without exception predetermined by the brand identity which, as I have just suggested, stays consistently the same world-wide especially in cases of successful global brands like Coke and IBM. An advertisement may be locally filmed and executed in local aesthetics. The final product may look indigenous in appearance, but hardly local in essence.

What about Libo Beer then? While the 'local' represented in the Coke commercial rings with certain ambivalence in its final execution, the Libo campaign is flagrantly consistent in its validation of an authentic local culture from its communications strategy down to the final stage of creative implementation. Indeed, fanfare about the Libo advertising campaign has spilled over into TV talk shows rolling live interviews of young and old Shanghainese strolling down the streets reciting the tag line and singing the theme song of the Libo commercial. Libo is unmistakably a local beer that fans local sentiment. The creative idea and implementation of the commercial also bears strong traces of local aesthetics. For one thing, it moved away from image strategies based on abstract visual cues back to the traditional story-telling format most familiar to Chinese audiences. Pungent criticism of the commercial's irrelevance to migrants in Shanghai (Huang and Ye, 2001, p. 72) only further vindicates the beer's success in connecting to its target audience -- local Shanghainese.

So should we buy the logic of 'localism' so brilliantly sold in this campaign? Two

questions need to be addressed here. First, what does Shanghai mean as a cultural signifier? Secondly, why are the trade magazines of Chinese advertising so fascinated with the success of the Libo campaign? My answer is embedded in a comic strip made by Shanghai Advertising Company to brand its own corporate image (*Guoji guanggao*, 2001, p. 11). At the centre of the comic strip sits a young Yo-Yo Ma look-alike Shanghainese dressed in a formal Western suit playing the cello gracefully. He is flanked to his right and left by miniatures of foreigners dressed in long, traditional Chinese robes dabbling in the classical Chinese *erhu* violin. There is something awkward and unbecoming about the foreign musicians that brings into sharp relief the effortless with which the handsome Shanghai performer presents himself as a genuine article of internationalism. This comic gives a new twist, a la Shanghai, to the old localization-westernization debate. The complex moral it delivers is further borne out by a less acknowledged fact -- the Chinese ad industry's fascination with Libo has been premised on the success of its branding strategy, an unmistakably global advertising practice.

In popular cultural discourse Shanghai is always celebrated as a place where the local is well-blended into the international. Certainly, the consistency of branding strategy underlying all the Libo ads of this campaign betrayed just how faithfully the brand team had observed the golden motto of international advertising: 'Consistency of the strategic idea builds brand diversity' (Hall, 2002). Of more importance is the fact that this is a rare instance of branding in China. Up till the early 2000s most local Chinese advertisers advertise rather than brand their products because it is costly to buy the kind of expertise required to develop brand communications strategies. Libo's branded personality -- he is an old friend in your home town -- lies at the very heart of the campaign's success. It has been quite an outlandish practice thus far for a local manufacturer to sell a brand identity built on the strong emotional associations it evokes in target consumers. We are witnessing a masterful practice of a cardinal marketing principle prevalent in modern Western advertising (Aaker and Joachimsthaler, 2000, pp. 31-93).

This discussion of Libo returns us to the loaded term 'local content.' It is futile to debate which term -- local (content) or global (form and practice) -- is more privileged in the advertising industry. As we saw in the Libo campaign, its much touted local 'content' is inseparable from the global 'form' and 'practices' of branding. Both terms -- the global and the local -- and even the vague concept of advertising 'content' are just too fuzzy to be of much explanatory value. As I have shown earlier, 'content' creation is splintered into stages of brand positioning, communications strategies, and creative execution. Cultural production indeed unfolds in a process much too complicated for either term in the set -- local or global, content or form -- to encapsulate. The authenticity of the 'local' is therefore at best an imaginary construct used by the locals to theme a place. Most often, localization is nothing other than the newest marketing tool of transnational corporations. This tells us that the (autonomous) agency question needs to be moved elsewhere. More specifically, we should resist the temptation of identifying 'locality' with the trope of resistance. Just as the scenario of Chinese families swarming into the McDonald's hardly indicates the capitulation of local culinary culture to American hamburger culture, so should a localized Coke commercial *not* fool us into thinking that in this battle of the two signifiers, the 'local' has won.

4A vs. 4C [\[vi\]](#)

The discussion above illustrates how 'content localization' is a much more complex issue than what meets the eye. The industry perspective has the potential of taking the edge off the politics of culture by neutralizing the antagonistic relations between the local and the global. So one may ask: If the 'local' is a notion emptied of the politics of resistance in marketing practices, does politics have no place in advertising?

Those familiar with the thesis of advertising imperialism laid out in the 1984 classic *Madison Avenue in Asia* will argue that the sector is certainly not politics free. In the 1980s the debate in international advertising was focused on the TNAAs (transnational advertising

agencies) whose penetration into a 'sovereign nation' was perceived as pernicious as any other form of colonialism. The thrust of the criticism unfolded then can be summed up in what a Filipino critic says, 'That advertising has become a very influential force in [a developing] society all the more underscores the need to de-Westernize it . . .' (Anderson, 1984, p. 61-62). In China today, and especially over the last few years a similar debate has emerged among advertising professionals that addresses the issue of the unequal power relations between fixed business structures privileged by TNAAs and local Chinese nomadic practices. The story about this brand of self-conscious politics of resistance began with the rise of Chinese 4A companies during the latter half of the past decade.

China's entry into the WTO has given rise to a growing consciousness among advertising professionals that their booming trade is not just about individual success stories. There is a shared sentiment of historical agency and a strong guild consciousness in the making. The current moment in China is not unlike the 1900s when American advertising pioneers such as J. Walter Thompson and Earnest Elmo Calkins rose to form a new professional class empowered to shape the taste and needs of the public. The year of 1999 -- the twentieth anniversary of the return of advertising to post-Mao China -- marked a unique celebratory moment for the sector. Ad men and women were brought to a heightened historical awareness that a collective milestone had been reached. It was this sense of a collective destiny combined with a rising guild consciousness that helped nurture the sector's burgeoning interest in the concepts and models of professional associations. What I will discuss below is an interesting case of the contestation of Chinese advertising professionals with the 4A formula (the Association of Accredited Advertising Agencies) and the American advertising practices it endorsed. Although those actually engaged in this debate came from a small segment of the sector, the sentiments voiced captured a local symptom worth examining.

The first Chinese 4A was established in Guangzhou in 1996; Shanghai followed suit in 2001, while Beijing was in the midst of forming its own in the summer of 2002. The 4A is

an American model whose aim is to protect consumers from deceptive practices and competitors from unfair practices. Operating according to professional ethics and public trust, the 4A has no administrative and executive power. The Chinese 4As insist, at least rhetorically, that their associations aspire to transcend the self interests of individual companies and that their sole purpose is to promote fair competition and to raise service and management standards. Regardless of such altruistic rhetoric, the 4As, especially the Guangzhou branch, are commonly perceived as private clubs with membership restricted to the TNAAs only.

It was probably due to the fact that most local agencies were disqualified from 4A affiliation due to strict entry criteria [\[vii\]](#) that radical elements within the local advertising community gradually developed a contentious discourse challenging the norm of business practice in international advertising. 4A was one of their earliest targets. A dramatic campaign was launched in 2001 by a popular trade magazine *Xiandai guanggao* (Modern Advertising) to defy the 4A formula. In its place, the magazine editors proudly promoted the 4C. This is no simple business discourse about numbers or alliterations. The 4C manifesto is complete with modernist and postmodernist social theories evoking Max Weber, Giddens, Habermas, Keynes, Lyotard, and Foucault.

Briefly speaking, the 4C (Chinese, Consumer, Consensus, Communications) is theoretically embedded in an oppositional and dichotomous framework: Chinese vs. American, consumer vs. advertiser, consensus vs. hegemony, communications vs. broadcasting. Many 4C manifestos have been declared since September 2001. It will suffice to analyze one piece because of its theoretical value. That piece starts with an emotional appeal to local advertising agencies -- 'look straight into the eyes of the Chinese consumer' (Yang, 2001, p.16). Agencies are advised to bear in mind three sets of psychographics said to be uniquely Chinese -- each of which is pitted against what is allegedly 'western.' Family-centred subjectivity vs. individual-centred subjectivity; practical rationality vs. absolute rationality; and the continuum of the self and the other (*tianren heyi*) in contrast to the

Western epistemology of the subject-object dichotomy. This model privileges, as the second C indicates, a consumer-based pattern of knowledge in defiance of the old 4A regime in which the advertiser is seen as the magnet. According to the author, this shift of conceptual anchor from 'advertiser to consumer' introduces a significant break in the notion of communication. The 4C condemns the unilateral broadcasting model in which the advertiser speaks **to** the consumer. It promotes, instead, a dialogical, consensual mode of communication. What follows is a predictable Foucauldian critique of the discursive hegemony of the broadcasting model. But then, what exactly is this interactive, consensual act of communication that is said to be characteristic of the 4C? How does it work in the Chinese context? It is at this juncture when we anticipate a constructive view of the new model that the discourse broke into theoretical babbles. There was an allusion to digital media with Chinese characteristics. But it was buried deep within an outburst of critiques in the fashion of the Frankfurt School, of consumerism and the TV media.

On the surface what this manifesto delivers is nothing more than a pungent anti-Western credo accentuated by the polemics of the cultural left about mass media and consumer society. Deploring the erosion of the 'public sphere,' the author appears troubled by the complicit role that advertising plays in usurping a 'private' space of Chinese citizenship. This was surprising. Could an ad man (or woman) afford to critique consumerism, the *raison d'être* of the advertising industry? Could this be another masked critique of the 'centralizing' (*zhongxin hua*) and 'overpowering' (*qiangshi*) media -- overcharged phrases peppered here and there inviting closer scrutiny? Could the mention of the 'overbearing media' be a reminder of the ubiquitous presence of the authoritarian state that controls them? Is 4C a critique of Americanization or the Chinese state, or even a double-edged sword?

Indeed, this discussion of the cultural politics underlying the Chinese 4C discourses may lead us into several conceptual mazes. Inquiries like those offer interpretive possibilities that caution us against identifying the imaginary target of the 4C discourses

with a single foe, i.e., a 'global' mode of practice embodied within the 4A. Specifically, this discourse, self-labelled as anti-global, may contain within itself another critique directed at none other than the local condition itself -- the state monopoly of broadcasting and electronic media. Once more, the facile dichotomy built solely on the local/global axis proves to be an insufficient explanatory model. It is also worth noting that our total immersion in the vantage point of (global) cultural politics yields other blind spots. It shuffles out of view a pertinent question -- is 4C feasible as an advertising tool? After all, this campaign was orchestrated by an advertising trade magazine which, unlike academic journals on the subject, privileges practice over theory.

Seen from the vantage point of the advertising industry the 4C discourse appears to be riddled with questionable premises. First, the imaginary paradigmatic shift from the manufacturer to the consumer -- which the 4C advocates claimed to be uniquely their own -- had taken place long time ago in Western advertising. In fact, the modern concept of branding and marketing is totally anchored on consumer insights. Secondly, few successful advertisers and agents in urban China today resort to the outdated notion of a 'homogenous' Chinese consumer market. Regional differences are well acknowledged in the marketing lingo of tiered cities. The appeal of tier two cities (Chengdu, Nanjing, Chongqing, Wuhan, and Tianjin) has grown as strong as that of tier one cities (Beijing, Shanghai, Guangzhou). In the meantime, proliferating county TV stations brought marketers to pay greater attention to tier three cities (Changzhou, Jinhua, Mianyang, and other county-level townships) in recent years. The 'market culture' characterizing each tier is said to be markedly different. Within each city cluster consumer segments are further broken down. The uneven development of local and regional markets has indeed made marketing in China a challenge and a headache. A moderate 'brand-seeker' prototype in Beijing may only qualify for a 'brand adaptor' profile in Shanghai. And we have not even addressed the thorny marketing issue of how to match consumer segments with increasingly differentiated segments of media audiences in China. The 4C vision about a 'Chinese' mass market

characterized by a single psychographic formula is anachronistic, and a sure recipe for failure. The practical value of 4C is thin, to say the least.

As a campaign driven by the ideology of resistance, what does 4C eventually say about the place of politics in advertising -- a question I raised at the beginning of this section? It drives home an urgent need of conceptualizing politics beyond the axis of culture. There are other kinds of politics at work in the advertising sector of developing countries. In the case of China, unequal and uneven power relations between (state-owned) media and agency, and those between CCTV and provincial media serve as constant reminders that our examination of those instances of industry politics requires conceptual tools that will take into account the impact of trade practices on cultural production.

At the same time as we look closely into specific instances of industry practice we also need to maintain a focus on the political manoeuvrings of the central state (*zhongyang*) as it vacillates between a hands-off approach to media control in information rich service sectors (e.g. on-line business services and e-commerce), and a fear of losing control as users access content deemed sensitive by the Chinese leadership. In late 2002 the government's tactics of Internet censorship saw it prohibiting access to the Google search engine. Observers have noted that 'the main focus of the so-called Great Firewall has switched from preventing access to a long list of banned Web sites to screening Internet traffic, including e-mail, by searching out keywords and blocking the data they are associated with' (South China Morning Post, 2002). Following these cues Google itself became a party to the screening of content, a monitoring role it was obviously willing to play in return for prime access to the Chinese market. [\[viii\]](#) The disruption of the Google search engine is only one symptom of an interventionist state targeting a medium that is considered to have the potential to liberate the heavily monitored 'Chinese mind'. This dramatic conflict between the free market principle stressing open access and a socialist state emphasizing social stability/control serves as a reminder that the real and imagined contestation between the local and the global is not going to recede any time soon.

Nonetheless, it is necessary to recognize that there are other entry points for our understanding of the local condition, however deeply it has internalized the global frame. What this article brings to the foreground is the industry perspective on the hybrid process of cultural production (such as advertising) where global and local practices are constitutive of, rather than diametrically pitted against each other. It follows that despite its high visibility, the 'global' should not be taken as the sole frame of reference for a nuanced discussion of a locale. We need to remain watchful of our old habit of conceptualizing the 'local' and 'local culture' in one particular contestatory context alone, especially if it does not progress beyond what the surface text of the 4C discourses promoted. It is also my hope that this article may deliver a methodological insight -- the usefulness of industry perspectives in helping us develop an analytical frame of advertising research that may impart some practical and theoretical value to both scholar-critics and trade professionals.

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[i] According to the WTO Trade in Services schedule foreign advertising service suppliers can establish advertising enterprises in China in the form of joint ventures with foreign investment of no more than 49%. Within two years (i.e. by December 2003) foreign majority ownership is allowed. After four years wholly foreign-owned subsidiaries will be permitted. (GATS 2002: 11)

[ii] This observation is based on my interview with the staff at MindShare in Beijing in summer 2002.

[iii] This observation is based on my interview with the staff at MindShare in Beijing in summer 2002.

[iv] Nationalist ad campaigns worked more successfully during the 1930s when China was poor and in state of war.

[v] This kind of viewing response emerged frequently when I presented the draft of this paper in Cambridge, USA and Hong Kong. It came from those who did not understand how the principle of target audience works in the advertising industry. An ad is not made for everybody to consume. Target segment's reading is relevant, while non-target segment's is not.

[vi] Discussions about and discourses of the 4Cs have sporadically appeared in *Modern Advertising* since September 2001. In the meantime, the Chinese 4A discourses seemed to have prevailed over the 4Cs in advertising trade journals in general. A typical example is the May issue of 2001 of *Guanggao ren* (Ad Men) which presented a focus story on the 4As, featuring fourteen different contributions on the subject.

[vii] The most stringent entry rule for the Guangzhou 4A is the stipulation about the annual gross revenue of a agency candidate -- USD\$2.5 million at the minimum. The agency must also be a full-service agency striving to obtain at three major clients with billings from each reaching USD 1.3 million.

[\[viii\]](#) Reports on the stringency of China's Internet censorship could be found in every major US print media toward the end of 2002. A *New York Times* report cites that approximately 19,000 web sites were regularly denied to local users. For a good analysis of the contradictions of access and sovereignty in regard to the China's Internet policy see Kalathil and Boas (2003).

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