Corporate Diplomacy in a Transitional Democracy – A Case Study of Nation Branding

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The ROM candy brand first appeared in Romania in 1964. The packaging depicting the Romanian flag changed little over the years. By 2005 the brand was almost forgotten; Romanian consumers associated it with negative memories of scarcity during the communist regime. Furthermore, the brand was competing with global brands that were far more appealing. In 2010 Kandia, the parent company, approached the advertising agency, McCann Erickson, to revitalize the brand to appeal to a younger demographic. Research showed that young Romanians found national symbols and products unattractive. Research also uncovered the phenomenon of ‘reactive patriotism,’ meaning people do not like to hear that other nationalities are better than their own.

Based on the research, the agency decided to challenge ‘reactive patriotism.’ The ROM packaging was changed from the Romanian flag to the American flag. Television spots (in English) announced the American takeover ROM and directed audiences to Facebook and the brand’s webpage. Simultaneously, an extensive social media campaign incited young audiences to protest the American takeover of ROM. In the first seven days, the ROM website had 66,031 visits, 189,706 page views, 3,668 comments, and 206 emails. A Facebook campaign generated 1,216 new fans, 602 comments; 2,772 joined a new fan page to protest the “Americanized” ROM. The campaign was so successful that the company launched two more humorous social media campaigns, “Romanians are smart” (2011) and “Bucharest not Budapest” (2013), to an international audience that helped change perceptions Romania throughout the world. The second two campaigns, however, were not about candy bars but rather about national identity and nation branding.

Theoretical examination of this case study provides evidence of several important international strategic communication concepts important for theory-building. In addition to providing context and insight into social media campaigns as part of an integrated marketing communication approach, the study contributes to inquiry about international public relations, national reputation management and nation branding, cultural identity, and public
diplomacy by providing evidence and perspective from a transitional country. Countries that were previously dominated by communist regimes have seized the opportunity to re-invent themselves and to manage their reputations.[1] Like many transitional democracies, Romania is redefining itself and developing a new national identity that separates it from its communist past.

ROM claims to have helped Romania become the first country to change its image on the Internet. Before the 2011 social media campaign, it found that automated Google searches about Romania throughout Europe brought up negative images. The campaign succeeded in generating enough positive content that it affected Google search results about Romania, changing search results from negative to positive content. Strategies included redirecting the ROM website to the Romanians are Smart site and using search optimization tools, recruiting bloggers and other social media users to generate positive content about Romania in a number of European languages, increasing hits to positive sites using Google, providing widgets to allow users to generate positive search buttons, and appealing to mass media including CNN to publicize the effort. The company knew that if enough searches resulted in positive images, Google’s predictions would change. It was right. As a result of the campaign, negative automated suggestions decreased on Yahoo, Bing, YouTube, and Google. The campaign also improved the national ego and affected national identity in a positive way.

The case also provides insights into public diplomacy, particularly highlighting the effects of social media and the role of corporations as non-state actors. The profound effects of globalization and transnational, horizontal communication networks have transformed public diplomacy. There is increasing support for the contention that non-state actors, including corporations and private citizens, play a role and contribute to the public diplomacy process. In this case, ROM engaged in corporate diplomacy, defined as a corporation participating in diplomatic processes to build relationships with foreign entities to help create favorable conditions for business, and/or to bring about understanding for its home country’s ideals, institutions, and cultures.[2] Corporate diplomacy can occur when a corporation acts independently of its government, or in consort with government(s) to influence foreign audiences. Furthermore, private Romania citizens played a part in the co-creation of patriotic information that contributed to nation branding and national identity.[3]
