

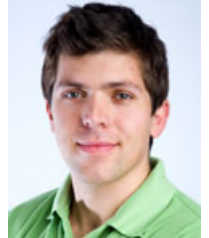
South Africa, branded to the economic fast track

By  Andre Redelinghuys

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Jacob Zuma touched down in China yesterday morning, Wednesday, 13 April 2011, to take part in his first [BRICS](#) summit. In December 2010, BRIC officially invited South Africa to become the "S" in BRICS. There hasn't been much fanfare locally but through association, this new distinction is way more significant than feel-good jingles played on CNN.

In 2001 Jim O'Neill, chairman of Goldman Sachs Asset Management, coined the term BRICs to describe the new-guard economies set to take over the global economic reigns. First it was just a term. Then, perhaps inspired by the term, those countries' leaders met and effectively created an economic club, which formalised BRIC.



In a [recent statement](#), O'Neill responded critically to the news of South Africa's inclusion. "It is tough to see how South Africa matches up to these four countries", he said referring to Indonesia, Mexico, Turkey and South Korea as much better economic suitors to the original BRIC grouping.

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Most speculation on SA's inclusion is that it was at China's insistence, driven by its Africa obsession.

Implications great for SA's future

SA may have passenger status in possibly the most elite economic boys club, but ignoring merits for now, the implications are great for SA's future.

'Made in Taiwan' used to be a punch line in bad jokes about the flood of mass-produced products from there. Now the island economy produces a frightening amount of the world's computing components, from Intel chips to iPhones.

Being part of the *Four Asian Tigers* might not have been the ultimate determinate of Taiwan's position today, but by associating itself with other promising economies, it brought more positive attention to itself and surely more investment.

In 1988, would you rather have invested in an Asian Tiger economy or Gabon, which had a substantially higher GDP growth rate than the Four Tigers back then?

BRICS represents the most promising global economies and there is always an element of self-fulfilling prophecy to these kinds of distinction.

Perception, association and reputation

Brands are all about perception, association and reputation. Whenever someone refers to the most promising economies now, SA by association, gets a little nod. Brazil, Russia, India, China and South Africa, has a nice ring to it, right?

You can provide rationale to say we're not quite on the same level as the others, but brands at their best are about emotion, not rationality. We all know perception can outweigh truth, especially when it comes to markets.

Good brand management doesn't provide a silver bullet but it can lend a helping hand. BRICS is a brand. Brands influence perception and perception drives investor sentiment.

Thanks, China. Now it's up to us to make the most of this.

ABOUT ANDRE REDELINGHUYS

Andre Redelinghuys, head of strategy at HKLM, develops and transforms brands to drive successful business. He sees planning, design, message and medium all as part of the continuous relationship required to build inspiring brands. After graduating, he started in qualitative market research, where he began studying the nature of people and their relationship with brands. There, he learnt that endearing ideas need to have people at the centre.

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