Impact of Turquality Model on Branding and International Marketing

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Abstract – A brand consists of name, symbol, concept, design, standard, quality or several of them which are used to distinguish a product from its competitors. Without a brand, all products have the same qualities in the eyes of the consumers. Business managers use brands to draw attention of the consumers and ensure that the consumers purchase their products again. The fundamental reason for gaining brand value for a product is that it separates the product from the other products. In the first part of this study, brand and concepts regarding the brand were discussed and the importance of the brand in terms of consumers and manufacturers was also addressed. Then, the impact of exporting with brand in the international market was mentioned. In the second part of the study, Turquality and the advantages of the companies which have Turquality Certificate were presented.

Keywords – Quality, Turquality, Brand, International Marketing.

1. Introduction

In today’s fierce competition environment, business managers need to be successful to draw the attention of the consumers. Various works are carried out to create an image in the consumers’ mind that the brand is of high quality and it is more charming compared to the competitors’ products. With the Turquality Certificate which is designed to meet these needs, the Government and Turkish companies have initiated the international brand age within marketing competition taking the whole world as a single market. Many Turkish companies had the chance to prove themselves in international markets with their quality when they export with their own brands. There are unseen aspects of the brand. These are brand positioning, brand personality and brand spirit.

The brand concept has gained importance in parallel with the developments in technology in 19th century. Being a brand has two meanings. First one is being a brand commercially or legally, which is the easiest step to become a brand. The second meaning of being a brand is related to the value of the brand in the eyes of the consumers. What is tried to be expressed as “being a brand” in many institutions today can be defined as that the brand has a reputation in the eyes of the consumers. The reason of existence of the brand is to “build trust. Brand is any sign which may consist of letters, logo or figure with the purpose of distinguishing the products or services of an enterprise from the products or services of another” [11].

2. Brand and Brand Related Concepts

The only way to create in today’s markets where the products are more equalized gradually is to become a brand, because there is a competitive market environment in which the competitors are never late to imitate the brand. In competitive market conditions, consumers do not always act rationally. Therefore, the product of a company might become unnoticed after a while in competitive market environments where there are both plenty of similar products and the consumers are not rational. Only a strong corporate image will be able to get the company out of this situation. What makes the corporate image strong is a strong brand image, because brand is the face of a business strategy. It is one word, one sign, one sound, one feeling. Basically, a brand is the seller’s guarantee to the buyers that a certain set of features, benefits and services will be provided continuously. Best brands bring along quality assurance with them [12]. Trade Mark is the sign which helps distinguishing the goods of enterprise manufactures and/or trades from the goods of other enterprises. Briefly, it is the name of the brands used on commercial goods.
The signs which are not related to a certain product and which are used only to distinguish a service from the services of other enterprises is called “service brand” [18].

In the event that a brand belongs to a real or legal entity and the rights of that brand belong to a single person, it is an individual brand. Individual brands are the brands which are used solely and independently by real or legal entities [5].

Guarantee brand symbolizes the guarantee regarding the quality of the product. Depending on this, it should not be used by each enterprise which fulfils the conditions in relation to the quality of the product determined by the owner of the brand or in the products or services of an enterprise which are financially affiliated to the owner of the brand [4].

### 3. Brand in Terms of Consumers

In national and international markets, a company should ensure the flow of its products or services to the consumers or companies in more than one country in order to make profit. In that respect, the companies should create the branded product which directly addresses the consumers. Especially, it is quite important to break the current brand habits and present the most effective message to the consumers in creation of a new brand. The bridge between the consumers and the product is built by means of brand image [6].

A great majority of the consumers perceive the brand as a symbol or image and feel themselves dependent on this brand. In such behaviours, the efforts of the owner of the brand to improve the brand image and recognition are quite important as well as the trust the brand owner gives to the users [10].

As the branded product will increase the trust of the consumer towards that product, consumers will not hesitate to purchase. For that reason, brand is also important in terms of protecting the rights of the consumer.

As a conclusion, brand is the easiest way to recognize a product for the consumers. It informs the consumer about the product and ensures that a product is easily remembered and purchased. In addition, it provides assurance in relation to product quality by acting as an intermediary to convey the product related complaints to the relevant authorities. Brand provides some benefits to the consumer as well. Brand enables the consumer to recognize a product easily.

- Branded product means a product with continuously consistent quality for the consumer.
- Brand ensures that the consumer is protected. Consumer knows the manufacturer of the product. If the product is branded, the consumer can easily provide its needs when spare parts are required for repairing the product or when the consumer needs to purchase the product again.
- Quality of the branded products gradually improves. Competition leads manufacturers and intermediaries to this. Manufacturers and intermediaries try to diversify the product.

### 4. Brand in Terms of Enterprises

The fact that companies stand out with their brands in order to be strong and permanent in the domestic and foreign market is among important requirements of having a place in the economic market. Brand registration which is the first step for this can be considered as the beginning of a process which is based on a strong foundation but targets continuous development [7].

Introduction of new products into the market on one hand and creating and increasing the use and dependency of the consumers on the brands of the enterprises in the current global competition in some markets on the other hand are quite important for enterprises and therefore various activities are carried out. For that reason, enterprises face a situation in which they should know to what extent the brand is important in consumers’ buying behaviours, how the brand features influence consumers’ preferences and what are important on consumers’ brand selection and use in order to ensure that the consumers use their own brands and create a brand image and dependency [8].

Another point we should emphasize for the manufacturer is whether a product range will be brought under a single brand name or whether each product will be branded separately. When products are brought under a single brand, new product can benefit from the popularity of the old product. However, if the qualities and prices of the products are different, determining different brands will be more appropriate. We can also say that the manufacturer faces the importance of the brand from deciding how to brand the product to how the product is preferred [9].

Advantages of the brand in terms of enterprises can be summarized as follows:

- In terms of creating demand, brand is more effective than the name of the enterprise and technical qualities of the product. Advertised brand is easily remembered and the products which bear the brand are recognised and purchased.
- Using the brand draws the product towards intermediary enterprises. If consumers insist on
purchasing a certain branded product, wholesalers and retailers feel the necessity to acquire and sell that product.

- Brand creates dependence on the product and the sales of the manufacturer become regular. Manufacturer has the opportunity to control the market to some extent and monitor the marketing attempts of the intermediaries.
- Well-known brand facilitates putting new products on market.

5. Place and Importance of Brand in International Marketing or Impacts of Globalisation Process on Branding Strategies of Enterprises

Today, enterprises face the challenge to integrate their own activities into globalisation process. If multinational enterprises desire to compete in temporary global areas, they have to integrate their own activities into globalisation process, because the competitive nature of a multinational enterprise in a country is affected by the competition in other countries within the global environment.

In order to eliminate the competitive impact of globalisation on companies and help the companies create a strong brand in global markets, Governments provide various supports to the companies and develop various projects. Most important supports in that aspect are the export incentives. Although they may vary according to the internal dynamics and foreign trade objectives of the countries, the purpose and principles in providing export incentives can be listed as follows:

- Increasing export;
- Improving payments balance;
- Increasing employment;
- Providing competitive power to export products in international markets;
- Increasing capacity usage ratios;
- Improving/expanding export markets;
- Minimizing foreign currency expenditures.

6. Total Quality Management (TQM)

Before to finding the answer what TURQUALITY is, the Total Quality Management should be explained. Because the TURQUALITY is a system like TQM, the only difference is that TURQUALITY program sponsored by Turkish government to create its own quality system and global brand in the world.

Total Quality Management is a balanced way for all stakeholders (customers, employees, shareholders, suppliers, and community) to meet the expectations of continuous improvement of all activities in the organization [2].

Total Quality Management (TQM) is a management model which aims at the long term customer satisfaction, provision of contribution for its own personnel and the society and which focuses on quality and is based on the participation of the entire personnel. TQM is a management method which tries to meet the quality demands of inner and outer customers and to create the quality defined by the customers within the structure of product and service by means of the optimization of the products and services by participation of the entire personnel in an organization [16]. TQM is a management method which creates quality prioritizing the expectations of the customers and defined by them within the scope of the products and services during the operation of all activities [3]. In short, total quality approach is a continuous process for satisfying the customers and is a voyage to perfection.

What is TURQUALITY Program?

- It is the first and only government sponsored brand development program in the world.
- The purpose of the program is to create Turkish brands which can be world brand.
- TURQUALITY program is a support program which contains production, marketing, sale, after sale services for product groups with competitive advantages and aims to improve these processes and prepares companies for global competition.
- The importance of branding in export is increasing day by day in terms of competitive sectors such as textile and ready-wear, automotive, electronics and food sectors. TURQUALITY® is the support platform in which our country has the competitive advantage and which is created with the purpose that the companies having product groups with branding potential exist in the international markets as global players with their own brands by means of ensuring their knowledge, institutionalization and development as to include all processes from production to marketing and from sales to after sale services.

TURQUALITY Project is the government supported branding program which is implemented for the first time in the world. Turquality Project is a support program which was created with the purpose that Turkey becomes a global player in the international market with its own brands and with the vision of “Creating 10 World Brands in 10 Years”.

The project which was initiated in 2003 came into force with the infrastructure works started on
November 23, 2004. As of the end of 2011, 87 brands of 77 companies in durable consumer goods, industrial machinery, ready-wear, jewellery, automotive and textile sectors are supported within the scope of TURQUALITY program and 31 brands of 28 companies are supported within the scope of Brand Program [16].

History of TURQUALITY

In TURQUALITY Project started on November 23, 2004. In the project process, a special importance is given to establishing the legal structure. Later, the activities which are planned each year were realized step by step within the framework established on that date and the current point is reached. To carry out technical works, two teams were formed with the joint move of the Ministry of Economy, Turkish Exporters’ Assembly and Exporters’ Associations. These were named as TURQUALITY Study Group and TURQUALITY Secretariat. The strategy to be determined within the scope of the project was determined by the TURQUALITY Study Group. The most suitable sector for the determined strategy was considered to be the Textile and Ready-Wear sector and it was decided that the pilot implementation of the project was carried out in this sector. Upon the need for a professional support when determining the companies to be certified, Werner International which is a consulting company was determined as the program consultant. With the parallel meeting which was held on July 28-29, 2005 “TURQUALITY Strategic Plan” and “Branding Road Map” were created. It was decided that the program is opened to other sectors within the framework of Strategic Planning (fast moving consumer goods, durable consumer goods, jewellery, automotive and industrial machinery). Along with this opening to other sectors, applications increased rapidly. When the applicant companies were examined, a need for establishing a methodology has emerged. To provide the professional support in that aspect, international consultancy company Deloitte was chosen as the “Management Consultant”. Upon the report of Deloitte, the brands to be included in the program were determined with the study of TURQUALITY Study Group. 33 brands included in TURQUALITY Support Program and 22 brands included in Brand Program were notified on May 24, 2006 [2].

Activities Carried Out within the Scope of TURQUALITY

2004

- Brands within the scope of program and support are introduced to the Russian market.
- The same fashion show was also held in Paris and New York.
- Number of Brands included in Support Program and Brand Program per years.

2005

- Exhibition of fashion designer Hüseyin Çağlayan in the Netherlands, his fashion show in Paris Fashion Week; fashion show of Dice Kayek in Paris Fashion Week and Venice Biennial were organized with the sponsorship of TURQUALITY.

2006

- Supported 7 brands offered to Japanese consumers in Takas Himaya stores.
- TURQUALITY Vision Seminars were initiated. The first seminar “On Brand Positioning with Jack Trout” was held on May 30.
- First two terms of Manager Development Program were held with the contribution of Koç University and Sabancı University.

2007

- The second TURQUALITY Vision Seminar “Establishing Corporate Culture for Permanent Success in International Market” was held.
- The scope of TURQUALITY Manager Development Program was extended and third and fourth terms were held.

2008

- Capital Magazine included the project in "Best 10 Projects".
- Firth term of the TURQUALITY Manager Development Program was held.
- "Design Turkey" Industrial Design Awards competition was realized.
- TURQUALITY Reconstruction Project was put into force on September 3. This reconstruction was anticipated within the scope of Performance Management, Document Management, Process Management, Help Desk and Financial Affairs.
- 4th TURQUALITY Vision Seminar was held.

2009

- “Opportunities and Threats towards 2009” Seminar was held for the managers of the companies included in the scope of support.
- 5th TURQUALITY Vision Seminar “Competitive Expansion Opportunities in Global Arena” was held.
Application and assessment processes were automatized.

2010

- 8th term of TURQUALITY Manager Development Program was held.

2011

- Technical Service Export Conference was held.
- Changes were made on a large scale. These changes were in relation to extending the support duration, diversifying support factors, increasing limits and including “Gastronomy” as the new sector.
- 9th term session of TURQUALITY Manager Development Program was held [1].

Who and Which Companies can have Government Support?

- Manufacturing and Commercial Companies
- Software Companies
- Commercial Companies
- Sectorial Foreign Trade Companies
- Foreign Trade Capital Companies
- Manufacturer Unions and Associations are supported [16].

How to Apply?

Prerequisite: It is necessary that the applicant brand is registered in Turkey and also in at least one of the target markets abroad which will be specified in the Business Plan which is to be submitted.

The purpose of TURQUALITY Preliminary Assessment Set is that the Company recognizes the framework of the investigation determined in article 20 of the Implementation Procedures and Principles before the payment of the amount determined in the abovementioned article and tests itself. The result score is a recommendation and it is not binding.

Then, the companies should create new user at [17] (detailed information is available on the web site) and login with the password to be provided by the system and fill in the Application Form. The companies which fill in the Application Form on Turquality Automation System and submit their application via system by uploading the documents included in the Implementation Procedures and Principles Annex 8 to the “Attached Documents” field should submit the original copies or notarized copies of all documents they uploaded to the system to the İTKİB-TURQUALITY Secretariat.

For companies which have no deficiency in their applications, next stage is the preliminary assessment process. In this process, the company should pay the amount required for the Preliminary Examination Study to be carried out by the TURQUALITY Program Management Consultancy Company assigned by the Ministry of Economy to the assigned consultancy company. Within the scope of Preliminary Examination Study, detailed information/documents in relation to the examination areas are requested by the TURQUALITY Program Management Consultancy Company and 2-day on-site examination is conducted in the company’s premises after these information/documents are examined. Executives from Ministry of Economy or TIM – TURQUALITY Secretariat may attend on-site examinations. The company is examined in the following fields during Preliminary Examination Study.

Which Subjects are Supported?

- Brand Registration Supports
- Quality Certification Supports
- Advertisement and Promotion Supports
- Fashion and Industrial Product Designer Supports
- Rental Support for Overseas Departments
- Consultancy Supports

Figure 1. The algorithm how to apply for the TURQUALITY Program

What is important in this process is to fill in the Company Preliminary Assessment Set and obtain the valid score (85). The approved company as a result of Preliminary Examination Study is notified whether it is accepted to Brand Program or TURQUALITY Program [15], [17].
What are the Targets of the Turquality® Program

• Creating a positive Turkish Product image
• Promotion and success of products with branding potential in foreign markets
• Establishing a new accreditation system within Turquality® Program.
• Supporting Turkish brands including all business processes
• Providing training, consultancy and coaching services for global competition

Communication Strategies

• Organizing promotion programs abroad where the content of the program is explained
• Ensuring the participation of more companies with potential by means of domestic promotion activities

Table 3. The Expectations of Turquality

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<th>Turquality® Expectations</th>
<th>Turquality® Acquisitions</th>
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<tr>
<td>Company Expectations</td>
<td>Turquality® vision</td>
</tr>
<tr>
<td>• Increasing sales volume and performance</td>
<td>• With the vision of Turquality® “Creating 10 world brands in 10 years”; improving and supporting Turkish brands with the potential to become a global brand in all stages beyond being only a monetary support.</td>
</tr>
<tr>
<td>• Increasing efficiency and profitability</td>
<td>• Increasing the export of our country by improving strong global brands.</td>
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<tr>
<td>• Expanding to foreign markets and creating new customers</td>
<td>• Strengthening the “Turkish Product” image and Turkey’s reputation by means of the developed Turkish brands.</td>
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<td>• Overseas organization</td>
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<td>• Promotion support</td>
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<td>• R&amp;D support</td>
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<td>• Improving profitability in product</td>
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<td>• Looking after the brand with government support</td>
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<td>• Facilitating the process of benefiting from incentives</td>
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Table 4. The Vision and Mission of Turquality

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<th>Turquality® vision</th>
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<tr>
<td>• With the vision of Turquality® “Creating 10 world brands in 10 years”; improving and supporting Turkish brands with the potential to become a global brand in all stages beyond being only a monetary support.</td>
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Turquality® mission

• Increasing the export of our country by improving strong global brands.
• Strengthening the “Turkish Product” image and Turkey’s reputation by means of the developed Turkish brands.

What are the Program Stages?

There are two basic operational levels:
1. Brand Support Program
2. TURQUALITY Support Program
Office-Store Supports are 3 years, Brand Support Program is 4 years and TURQUALITY is 5 years. Companies can only benefit from one of the above.

Figure 2. The Program Stage of TURQUALITY
What are the topics of examination?

Table 5. The Levels of Turquality [16]

<table>
<thead>
<tr>
<th>Turquality® Levels</th>
<th>1st</th>
<th>2nd</th>
<th>3rd</th>
<th>4th</th>
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<tbody>
<tr>
<td>Brand Performance</td>
<td>✓</td>
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<tr>
<td>Financial Performance</td>
<td>✓</td>
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<tr>
<td>Strategic Planning</td>
<td></td>
<td>✓</td>
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<tr>
<td>Brand Management</td>
<td>✓</td>
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<tr>
<td>New Product Development</td>
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<td>✓</td>
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<tr>
<td>Marketing, Customer, Trade Management</td>
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<td>✓</td>
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<tr>
<td>Supply Chain Management</td>
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<td>✓</td>
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<tr>
<td>Human Resources</td>
<td>✓</td>
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<tr>
<td>Corporate Management</td>
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<td>✓</td>
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<td></td>
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<tr>
<td>Information Systems</td>
<td>✓</td>
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- Supply Chain Management
- Customer Relations Management (CRM)
- Organizational Structure
- Human Resources Management
- Institutionalism
- Finance
- Information Systems
- Brand Management and Brand Power

Among the companies which are examined according to these topics, the ones with the potential to become a world brand are selected and included in TURQUALITY support program. In this support program, 50% of the expenditures related to support topics are supported by the government without an upper limit.

How is the Introduction Process to TURQUALITY Supports?

- Strategic Planning
- Financial Performance
- Supply Chain Management
- Brand Management, Brand Power
- Product Design Development
- Marketing, Customer and Trade Management
- Corporate Governance
- Human Resources Management
- Information Systems

The report is drawn up by examining the above topics one by one. Application fee is aid for these examinations. The Report is examined by the under-secretariat and positive or negative result is notified to the company. If the result is positive, the Company is required to draw up a business plan in accordance with its business structure and submit this plan to the under-secretariat. Supports are used within the scope of the approved business plan. Companies which are not included in the program can apply again by following the same procedure in six month periods. If necessary, companies can be included within the scope of support for another brand [17].

**Turquality Support Program Support Rates and Limits**

Companies whose corporate structure is settled and which comply with international competition conditions can be directly included. Corporate companies which complete their deficiencies in Brand Support Program are included in the scope of this support. The purpose of all this support is to create Turkish brands which can be world brands.

Support duration is five years. The support rate of supports is 50% without an upper limit [2].

**Conclusion**

Global brands are a great source of wealth for the country which created those brands. Being a brand or global brand is a long process and requires investment. Sometimes, enterprises cannot realize these investments with their own means and need support in such conditions, government support might become more meaningful. At this point, Turkey has been carrying out a unique program. This program is Turquality. Turquality is a concept which is determined with the purpose of strengthening Turkish product image and creating global Turkish brands starting from the words Turk and quality. Turquality is a brand development program which was designed with the vision of creating 10 world brands in 10 years. It is referred to as the first program created in this respect in the world. This program can be considered as an important milestone in Turkey’s attack of branding. This program was developed and implemented by under-secretariat of Foreign Trade between 2004 and 2014.

Structure, branding perception and approach of Turquality has developed continuously with the cooperation and support realized with worldwide known strategy experts and gained a dynamic structure. Turquality, which started in the textile and ready-wear sectors in pilot implementation, supports all sectors in which Turkey has the competitive advantage and which have branding potential. Today, various brands in a number of sectors from textile and ready-wear to rapid consumer products, from durable consumer products and household appliances to jewellery and automotive sectors are supported within the scope of this project.
The process in Turquality program can be summarized briefly as follows: The companies which meet the prerequisites for applying to the program should carry out a preliminary assessment for themselves by filling in Turquality Project Company Preliminary Assessment Set in order to see if they can be included in the scope of support according to the score they will get. Companies which have the adequate score apply to the under-secretariat of Foreign Trade. As a result of the preliminary examination to be carried out by the under-secretariat, the companies which are determined to meet the requirements are assessed in the following fields: Strategic Planning and Corporate Performance Management, Brand Management, Customer and Trade Management, Human Resources Management, Information Systems Management. At this stage, both the consultant company and the under-secretariat conduct assessments. With these assessments, the strongest companies which have potential in terms of developing world brands are selected. These companies are provided with the opportunity to benefit from further, more comprehensive supports. In summary, becoming a global brand is a difficult process. However, the companies which succeed in this process create an important value for both themselves and their countries. Turkey will be able to cross its borders as long as it has such brands.

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