



Branding

## Sri Lanka in the global market



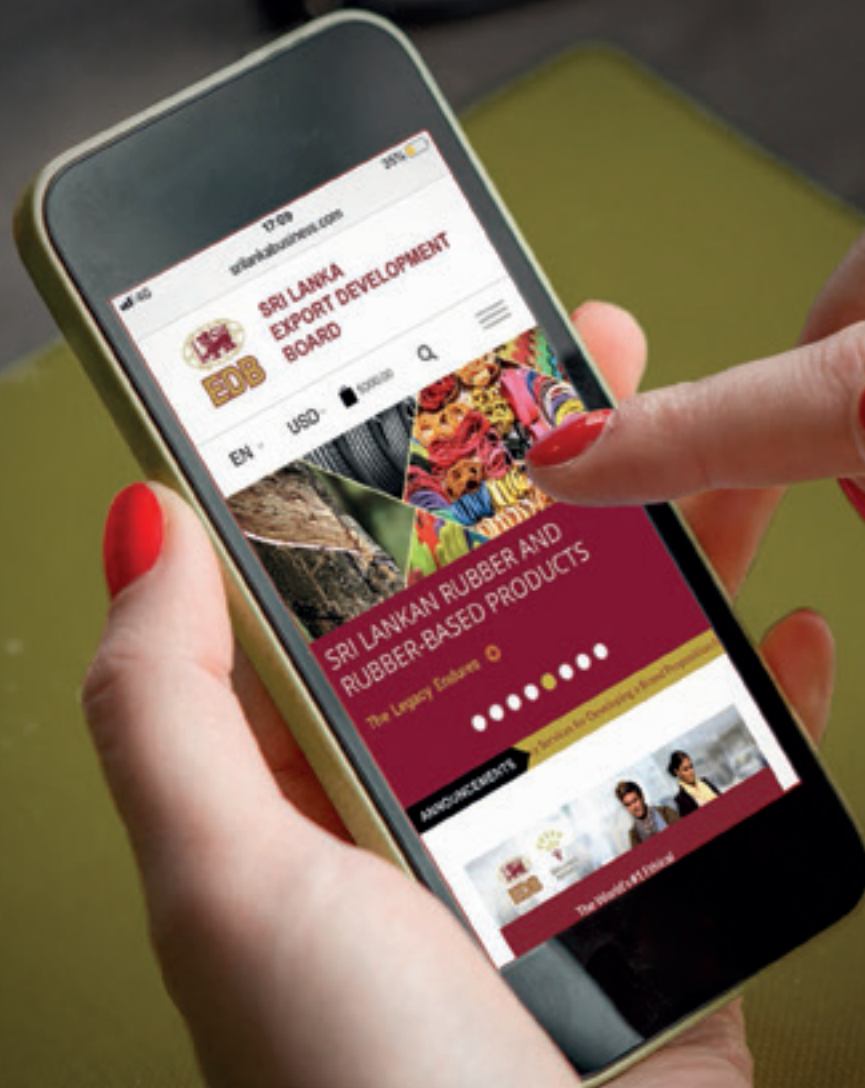
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## WELCOME

**Taking Sri Lanka to the World**

**Unique Sri Lankan brands have brought global recognition to the country, reflecting quality and innovation.**

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**Direction**

Jeevani Siriwardena  
S R P Indrakeerthi

**Project Coordinators**

Upul Galappaththi  
Asela Gunawardena

**Circulation**

Chandra Gunasekara

**Design and Production**

BT Options  
536, R A De Mel Mawatha  
(Duplication Road),  
Colombo 3, Sri Lanka  
General : (+94) 112 597 991  
Fax : (+94) 112 597 990  
E-mail : info@btoptions.com  
Web : btoptions.com

# Ayubowan!

**In this edition of Business Lanka, we discuss the importance of a brand. We explore Sri Lankan companies with a global reach and recognition, gained through innovation and brand values, that inspire the business community.**

In a global market that is rapidly transforming owing to technological advancements, products and services constantly emerge to cater to similar needs and requirements of the consumer, reaching the intended audience in numerous ways. Therefore, competition between brands heightens, necessitating the requirement to establish strong brand identities that appeal to the consumers' lifestyles and pleasure.

Digital has overtaken traditional marketing strategies in the global arena, and the current trends in digital marketing pave the way for innovative approaches to reach the target audience. Keeping pace with the global market as it changes consistently, Sri Lanka is taking measures to strengthen its international presence. Uniquely Sri Lankan brands are being empowered, and timely and innovative brand identities are being established.

Sri Lanka has distinctive brand identities across various sectors, which uniquely position the country in the global market. We take an in-depth look into several key brands: Ceylon Tea, Ceylon Spices, Ceylon Sapphire, Dilmah Tea, Island of Ingenuity (IOI), Sri Lanka Tourism, Amanté, and Spa Ceylon. The interview with His Excellency Eric Lavertu, Ambassador of France to Sri Lanka and the Maldives provides insights into the strong relationship between France and Sri Lanka. An article on the World Expo 2020 Dubai is also featured in this issue.

The in-depth articles featured on brands and brand positioning in Business Lanka are a platform that will enable discussion and impetus for innovation and the unique strategies that will propel Sri Lankan brands in the global arena.

**Sri Lanka Export Development Board**



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Sri Lanka has a significant renown in the gem-producing industry. Among over 130 varieties of precious stones that Sri Lanka produces, the Ceylon Sapphires are a unique trademark. Ayoma Dias, Assistant Director, Marketing of Sri Lanka Gem and Jewellery Authority relates how Ceylon Sapphires have become a sought-after brand in the world.

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Known for its flavours and quality, the market for Sri Lankan spices is growing internationally. Identifying the importance of having a brand for Sri Lankan spices, the Sri Lanka Export Development Board launched 'Ceylon Spices,' the unique country-of-origin trademark.



## 52 Go deeper: Driving Sri Lankan innovation and entrepreneurship

The next issue will explore innovation and entrepreneurship. These are vital aspects of a successful economy that drives growth and productivity, whilst generating livelihood and career opportunities.

## BILATERAL RELATIONSHIPS

Opposite page: Eric Lavertu,  
Ambassador of France to  
Sri Lanka and the Maldives.

# France and Sri Lanka: strong ties

**The Sri Lanka – France alliance is over seven decades strong. The countries have close ties in terms of tourism, the apparel industry, manufacture and water purification. At present, several large French companies are operating in Sri Lanka, while many small and medium scale Sri Lankan – French partnerships have taken root across the country. The French Embassy in Sri Lanka plays a key role in promoting cultural understanding, business interests and creating artistic dialogue between the two cultures. Eric Lavertu, Ambassador of France to Sri Lanka and the Maldives, explains that the relationship between the two countries is positively correlated. While highlighting the opportunities that France provides Sri Lanka, especially through the European Union, he emphasises on the need to continue to develop these relationships at all levels.**

## **What are your thoughts on the relationship between Sri Lanka and France?**

Since 1948, the relationship between Sri Lanka and France has been very good. We have an excellent rapport with Sri Lanka and have been working together on many matters. For years, we have supported Sri Lanka. Tourism is of course an important aspect for both countries with many French nationals visiting Sri Lanka. We are like a family where things are moving very well.

The French Agency for Development (AFD) provides grants and soft loans. Around 15 years ago, just after the tsunami, AFD began its operations in Sri Lanka. Today they have provided funds amounting to 600 million Euros for projects. Therefore, there is a big development initiative for the water projects. Already there are some ongoing projects in Matara, Moratuwa, Anuradhapura and soon in Jaffna. AFD is also planning to support a big irrigation project in the Eastern Province.

## **Can you speak about French investment and brands in Sri Lanka?**

A number of French companies and investors are present here in Sri Lanka. Michelin, leading French manufacturer of tyres has made significant investment here. Michelin acquired Camso, a well-known Canadian company, last year and that is enabling the company to have a significant presence in Sri Lanka and employs more than 6000 people.

Decathlon is a new and lesser known investment in Sri Lanka. It is one of the largest global sports designer and retailer of sporting goods. They opened their first store in Battaramulla last year. They manufacture equipments in Sri Lanka, which is for the local markets as well as for the export market. Decathlon has been successful in India and will soon have 70 stores in the neighbouring country. It is developing fast in Sri Lanka and I am sure the trajectory will be as successful here.

We have French companies working in the field of water. Suez

Environment and Veolia Water are working in Sri Lanka on two important projects, one in Matale District and one on Kelani River. We hope to start another project soon in Jaffna. These French companies have been working in Sri Lanka for a very long time. They are well known and they have a very good understanding and cooperation with Sri Lanka National Water Supply and Drainage Board.

## **There are many expatriates residing in Sri Lanka and we see a lot of French influence in terms of cuisine, restaurants and hospitality. What can you tell us about this?**

AccorHotels is a French hospitality company operating in Sri Lanka and through their acquisition of Mövenpick Hotel, they now have a property in Colombo. They may develop more. There is a large number of small and medium size companies very often owned by French and Sri Lankan couples. It is often a family business operating in the field of hospitality. There is also Café Français in





**It is a long process to create a brand with importance and make it global as well. Firstly, you need to build an image and you cannot expect a return immediately... You also have to know how to build a brand that customers recognise.**



Colombo. The concepts of these businesses attempt to mix and adapt the Sri Lankan and French way of life.

**The French are very good at branding. What can Sri Lanka learn from them?**

First of all, it is a long process. In fashion (and some other things), everything comes from the 17<sup>th</sup> and 18<sup>th</sup> century, when France was the most important power in Europe and also the place where a new kind of fashion, literature, and philosophy emerged. It is a long process to create a recognised brand and make it global as well. You need to build an image and you cannot expect a return immediately.

Chanel began as a small company and today it is a global entity. Louis Vuitton and Hermès started as travel accessory companies but see where they are now. It took them years to grow. Fashion is somehow different, where a designer makes a brand in a few years. For example, Christian Lacroix was a young designer from the South of France and launched his label 30 years ago. It is fast for a brand in fashion to rise, but creating a luxury brand takes a longer time.

Apart from its key range, Hermès produces perfumes and jewellery, and provides something different. The brand is important because it is the way to identify and create products. To create perfume, you need specialists with the required skills and also accessibility to raw materials. These come mainly from the South of France, but also from other countries including Sri Lanka. It takes a special knowledge to bring these materials together to produce perfume and judge its quality.

Sri Lanka is important in the field of textile and garments. It already has the knowledge of this sector. Now it's time to build the brand.

You have brands that are already well known such as Aviraté with a very good reputation in the Indian market; they have to build the same thing in Europe. Quality is the most important aspect in any product. When you are in jewellery, this type of luxury is an art. Products like these are expensive because of the work that goes into it and in Sri Lanka you have people with a unique knowledge of the art.

You also have to know how to build a brand that customers recognise. Recently, I visited Noyon Lanka, which is a joint venture between MAS and the French company Noyon Dentelle, a well-known lace producer from Calais in the North of France. It is one of the best in South Asia and exports their products to Europe and the United States. I was impressed by the skilled manpower in the factory.

I am sure there will be a place for Sri Lankan products in the global market. Of course in the market of fashion you have the unique opportunity to design new products and develop technology every year.

**French brands are very luxurious and of very high standard. What can Sri Lanka do to achieve similar status?**

First, you need to have quality people. You need a designer or a person with innovative ideas. There are many talented designers able to do that here. Subsequently, you need to train people in order to realise the designer's dream. You need people who will learn and work in fashion. For example, we have a partnership between a French school Mod'Art International Paris and Lanka Institute of Fashion Technology (LIFT). Selected students from LIFT visit France for their studies or for training in order to understand the French way of working in the fashion business.

Training is important. Sri Lankans are very business oriented and know how to manage a company, but you need a special training to design

special products. You can learn Art in an academy, it can be Paris, Milan or anywhere else but you also have to be exposed to a certain way of living in order to be in the trend.

For example, coming back to Aviraté, a Sri Lankan brand, which is successful in India because it offers value for money, and it is easier than importing from Europe. They offer a good price for the middle class market in India. From personal experience, I can say that Aviraté is doing well. When I was in Bangalore, Aviraté had an event with Miss France organisation and the contestants visited Sri Lanka for photo-shoots. That was part of the publicity event in India, mixing Sri Lanka and France.

Sri Lanka has dedicated and extremely good quality workers. That is why many brands are ready to work in Sri Lanka, not only for textiles. Textiles were the starting point for French investment in Sri Lanka. But in a different sector, I can tell you that executives from Michelin visited Sri Lankan factories six months ago and they were very impressed by the quality of work. That is a good sign. There are many possibilities due to the quality of manpower in Sri Lanka.

There is also a good quality of education as well as dedication in Sri Lanka. Literacy rate is high here; companies are sure to find the right people for the jobs. Thus, Sri Lanka is a good and judicious location for French companies to invest. Of course, there is an interest in the Indian market because it is a big market. But it's not easy to venture into India. Therefore, I advise French companies that Sri Lanka is the best place in South Asia to initiate business and learn how to fulfill demands from the different markets in the region.

### **Are there any Sri Lankan products in France?**

Sri Lanka sells more products to France than France sells to Sri Lanka. It is working well for Sri Lanka right now. For the time being, products being exported to France are mainly textiles, rubber products, tea, and products from the sea. Next stage

would be to have a Sri Lankan brand in France that has an identity showing to the public that it has been produced in Sri Lanka by Sri Lankans. It is more about branding than penetrating the market, because there are already a few Sri Lankan products in France. For textiles, you must have an idea of what you are producing and exporting and have a special brand or be ready to develop an existing brand.

### **Can you elaborate on the bilateral agreements between Sri Lanka and France?**

France is in the European Union and Sri Lanka benefits from a special agreement – GSP+ for its exportations. It is working well. However, it could be better as the Sri Lankan producers are not using all the facilities provided by this agreement. There is a space for development in exportation for products. You have 6,000 products under GSP +. There is a vast scope for development and for Sri Lankan exporters to capitalize on. It has changed the game for Sri Lankan exports. For the time being the apparel industry benefits from it, but other sectors too should utilize this facility.

### **Can you tell us about your experiences?**


I am a career diplomat. I entered the Foreign Service about 27 years ago, and have been posted in different countries across South Asia. I was assigned three times in Afghanistan including once in a special UN mission, and was also based in Pakistan 20 years ago. For three years, in India, I was the Consul General in Bangalore. I think that I have a good understanding of this region. I have also been posted in Ethiopia, and Chile in South America. Of course, my experiences in Afghanistan were special due to the situation, but in all countries, there was a possibility to work to create a better understanding between those nations and France. But Sri Lanka has a special place because it is a rather developed country in South Asia. It has a good record of human development. It is interesting to see how we can

work together. Of course, there is an economic and political correlation, and tourism is a special way to reinforce our relation.

### **What is the way forward for France and Sri Lanka?**

To work even more together, we organise a French festival from mid-June to mid-July annually, which is an interesting and important platform for Sri Lankan and French artists to interact. We want to share the knowledge and art techniques of French and Sri Lankan artists. Alliance Française de Kotte is working well and we hope to move back to our historic location in Barnes Place soon. We have quite a large number of people who want to learn and speak French, and to participate in events organised by the Alliance. We also have branches of Alliance Française in Jaffna, Kandy, and Matara. There will be development in terms of economic investments from France. We have more water projects in the pipeline and we are optimistic that these will start work soon.

There is a new airport in Jaffna (soon, I hope, in Trincomalee and Batticaloa). This will create an opportunity for the French-Italian company ATR, to propose its planes, which are well suited to these airports and that will help the development of tourism in these regions. We have a large number of French tourists visiting Sri Lanka. Last year the number was at 106,000. French tourists often travel with their families and thus stay longer. They travel to various parts of the country; they do not merely visit the South. They visit National Parks, Kandy cultural sites especially Anuradhapura, Sigiriya and Polonnaruwa. I am very confident that Sri Lankan tourism will recover after the tragic attacks in April. Expectations may not be reached this year, but I am sure the upward trend will develop soon.

Sri Lanka receives regular port calls from the French Navy, which is very active in the Indian Ocean. That is an essential connection to work towards ensuring the security of the Indian Ocean and to combat trafficking. We must work towards further developing these relationships. 

## GEMS

# Ceylon Sapphire: an enduring brand

**Sri Lanka is globally known for its thriving gem industry; it is the country with the highest density of gems in the world. The significance lies in the relatively smaller geographical area compared to the other gem-producing countries. Among the over 130 varieties of precious stones that Sri Lanka produces, sapphires account for 85 per cent.**

**C**eylon Sapphires, as the sapphires found in Sri Lanka are famously known, come in all the colours of the rainbow with the small exception of indigo.

The fame of the Ceylon Sapphire is such that Sri Lanka is known as the 'Sapphire Capital of the World.' From the Star of Adam, the biggest sapphire in the world to date and the Star of India to the Blue Giant of the Orient and the Logan Sapphire, Sri Lanka has produced numerous sapphires that have received global recognition and have been sought after by dignitaries.

## A stunning range of colours

Sapphires belong to the Corundum family – a compact and dense mineral, which lacks gemstone cleavage – and in Sri Lanka, the stones are available in a spectrum of colour, due to the oxidization of aluminum. Most famous amongst these is the Ceylon Blue Sapphire, displaying a deep shade of blue comparable with the hue of Cornflowers.

Except for Padparadscha and Ruby, two sapphire variants that are given separate names, the other sapphires are simply referred according to the colour of the stone. The pink sapphires found in Sri Lanka are known as the 'Hot Pink Sapphire' or the 'Sri Lanka Ruby'. Padparadscha, or King Sapphire, blends pink and gold to produce a stunningly beautiful sapphire.

Ceylon Sapphire also comes in a range of yellow, from the palest to the most vibrant shade of gold, known as Golden Sapphire. The rare Green Sapphire found in Sri Lanka has a brownish or blackish hue that has not been discovered among the green hued sapphires mined elsewhere in the gem-producing world. The Lavender Sapphire contains the most delicate shades of violet.

Ceylon Sapphires as a global brand, are known to possess the best





clarity, transparency and saturation. It is these qualities, heightened with the value additions of colour treatment and precision cutting, that continue to sustain the demand for Ceylon Sapphires from all over the globe.

### Colour treatment

On occasion, the raw sapphires may contain irregular colour patches, due to rutile inclusions in the stone. The rudimentary colour enhancement in the island previously sought the aid of charcoal hearths and blow pipes. At present, the corundum unearthed from the soil of Sri Lanka are heat treated at over 1,000 °C using scientific techniques and burners, transforming the stones into more transparent colours.

The majority of Sri Lankan corundum are variants of Geuda and Ottu. The blue hue of Geuda is typically achieved by heat treatment at around 1,500 °C, with the optimum colour, transparency and lustre generated at around 1,750 °C. With the exception of Pita Ottu and Dark Blackish Ottu, all Ottu varieties produce transparent, blue stones following heat treatment. By oxidizing yellow sapphires at around 1,200 °C, the stone can be converted to a deep yellow or orange.

### Gem cutting

The precision cutting used by the Sri Lankan gem industry has won international renown. Value additions, such as applying diamond proportions to sapphires have a strong demand among international and Sri Lankan clientele. While the cost of production is often higher due to weight loss, value addition enhances the stone by giving it more lustre and brilliance. The Asscher princess, Royal Asscher, and the modified emerald cut are popular cutting methods for Ceylon Sapphires.

Despite the recession in 2008 affecting the industry, the island has established a niche service-cutting industry. While the precision cutting volume produced in Sri Lanka cannot match those of developed cutting centres in China, Thailand, India and other larger centres, the quality

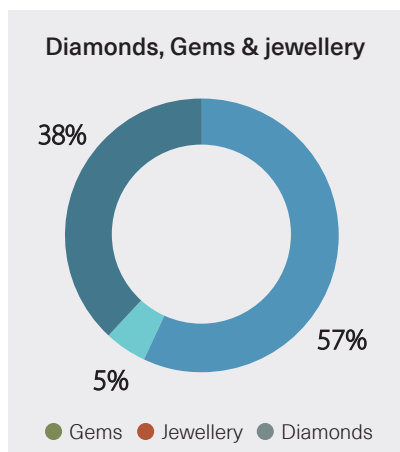


of work is on par with international standards.

Due to the precision cutting skills of the Sri Lankan industrialists, many international watch brands too have begun to employ the skills of these craftsmen. Along with precision cutting, the clients desire competitive pricing, perfect colour matching, and on-time delivery. The liberalisation of gemstone imports and logistic support has aided the industry to flourish, while training programmes prepare local cutters for the future.

### Regulations

A total of 130 varieties of gemstones are listed in the export figures, and an approximate of 85 per cent of the total national gem stone production in the country is made up by Ceylon Sapphires. The industry currently offers livelihoods to about one million



Composition of sub-sectors in the industry exports

Sri Lankans. In order to ensure the future of the industry, several rules and regulations have been put in place to make it environment-friendly and sustainable.

Only Sri Lankan citizens are allowed to mine; a strict license is required even in such cases before a person can mine a private land where he has the ownership. Foreign nationals or companies with foreign shareholders are not allowed to mine for gems nor participate in land auctions for gem mining and related activities. There are also regulations in place for mining in jointly owned lands, as well as for state-owned lands.


Currently, the legal department of National Gem & Jewellery Authority is focusing on further strengthening the regulations to sustain the production for future.

In Sri Lanka, the majority of the gem deposits are located in gem gravels that have been washed down from the mountains and deposited along the flood plains. As such, agricultural lands can often yield precious stones buried within the earth. Regulations are there to ensure the food production, livelihood

generation, and environmental protection. Gem deposits are mostly extracted during the off-season for agriculture. The use of mechanized mining and earth-filling of paddy fields are prohibited, and converting such fields to other crops. The dual utilization ensures that the lands are restored for agricultural use while restoration is also governed by regulations.

The exportation of rough gemstones is also prohibited by the Government; only polished and cut gemstones may be exported. While foreign companies and nationals are allowed to engage in trading, they are only allowed to export polished gems, ensuring that value addition is done within the island.

### Sustainability

Regulations ensure the land is not exploited during the gem mining. More than two-thirds of Sri Lanka's land mass indicate the presence of gem deposits, but as yet, only up to 20 per cent has been explored. This leaves a great potential for the growth and the sustainability of the industry, given that stakeholders follow the set regulations. 



**Ayoma Dias**  
Assistant Director,  
Marketing, National Gem &  
Jewellery Authority.

## INTIMATE APPAREL

# amanté: a homegrown intimate apparel brand

Mastering the art of manufacturing intimate apparel for a progressive global market for over three decades, MAS embarked on yet another entrepreneurial journey back in 2007 and this time around, it was much closer to home.





Having made an imprint on intimate and sportswear design and manufacturing at a global scale, MAS Holdings established MAS Brands as a division solely responsible for developing a progressive portfolio of aspirational lingerie and lifestyle brands in the Asian region. With focus and detailed attention to the silhouette and demanding lifestyle of the South Asian woman, MAS Brands launched amanté – the conglomerate's very own brand of fine lingerie in Bangalore, Chennai and Hyderabad in India, during the fall season of 2007. It targeted enterprising women with an appreciation for high-quality intimate apparel.

India's emerging upper middle class, the presence and acceptance of exclusive brands, along with a perceived market maturity provided fertile ground for the launch, and marked MAS's successful foray into manufacturer branding from private-label products.

The brand has consistently maintained a reputation for excellence in product quality and leads the market in fit and design. amanté's presence in India now spans over 1,500 multi brand stores, 275 large format stores, 18 exclusive brand stores and maintains a strong online presence across the sub-continent. Today, amanté proudly stands among the three premium lingerie brands in India and is the preferred fashion-forward lingerie brand amongst the discerning Indian consumer.

With tremendous success and high appreciation of the fit, feel, and trendsetting collections of amanté products across India, MAS Brands introduced the label to Sri Lanka, bringing global fashion right back home in 2012. The opening of the first amanté flagship boutique in Colombo soon followed in 2013. In Sri Lanka, amanté is present in 65 modern trade retailers, two exclusive boutiques and through online retailers. Furthermore, amanté is expanding its presence globally in Pakistan and Maldives through exclusive boutiques and

retail partnerships. Apart from the primary collection of lingerie, the brand has also aggressively expanded to offer a wide range of premium sleepwear, activewear, and swimwear over the past decade in operation.

### The amanté Brand

As a progressive brand, amanté seeks to infuse a blend of confidence, style, and subtle sensuality in the lives of women. The brand name amanté – translating to 'lover' in Italian – was chosen from among thousands of suggestions in a company-wide competition held by MAS Holdings.

Uncompromising with amanté's brand experience, amanté's

international design and styling have always been the focus of their collections. The brand uses the finest materials and accessories to suit modern women while maintaining brand integrity through their products, processes, and people. The brand stands to emphasise on a personality that benefits the modern woman emotionally and connects with her needs. amanté's personality is confident, stylish, sophisticated, spirited, and purposeful with a sense of subtle sensuality. It connotes being who you are as a woman and staying inspired to explore new things that adds beauty to life.

The store design and interiors reflect amanté's legacy worldwide,





**Over the years amanté has introduced new products to the Asian market to cater to the growing needs of the consumer; an example being the first ever molded galloon lace bra introduced during Spring/Summer 2018.**



defining the space as an ideal place to shop for the most intimate components of a woman's wardrobe, enabling women to connect with their feminine spirit and confidence. amanté offers an intimate experience at all its stores, where well-trained sales consultants provide support to select the perfect sizing and silhouette for each customer. Over the years, amanté has introduced new products to the Asian market to cater to the growing needs of the consumer; an example being the first ever molded galloon lace bra introduced during Spring/Summer 2018.

amanté launches two main fashion collections each year; the Spring/Summer collection and the Autumn/Winter collection. These collections focus not only on trendsetting fashion elements, but also on functionality and comfort. Bringing in various silhouettes and

components to the collection, amanté has advanced to meet the demanding and constantly evolving needs of the consumer. This has enabled the brand to introduce many new lingerie, swimwear, and sleepwear designs throughout the year apart from the main two collections, based on consumer research and feedback.

amanté hopes to continue its journey by offering a wide range of close to skin products that support women, encouraging self-expression, while also strengthening a brand image that strives to inspire every woman to pursue her dreams of new experiences with confidence. ☑



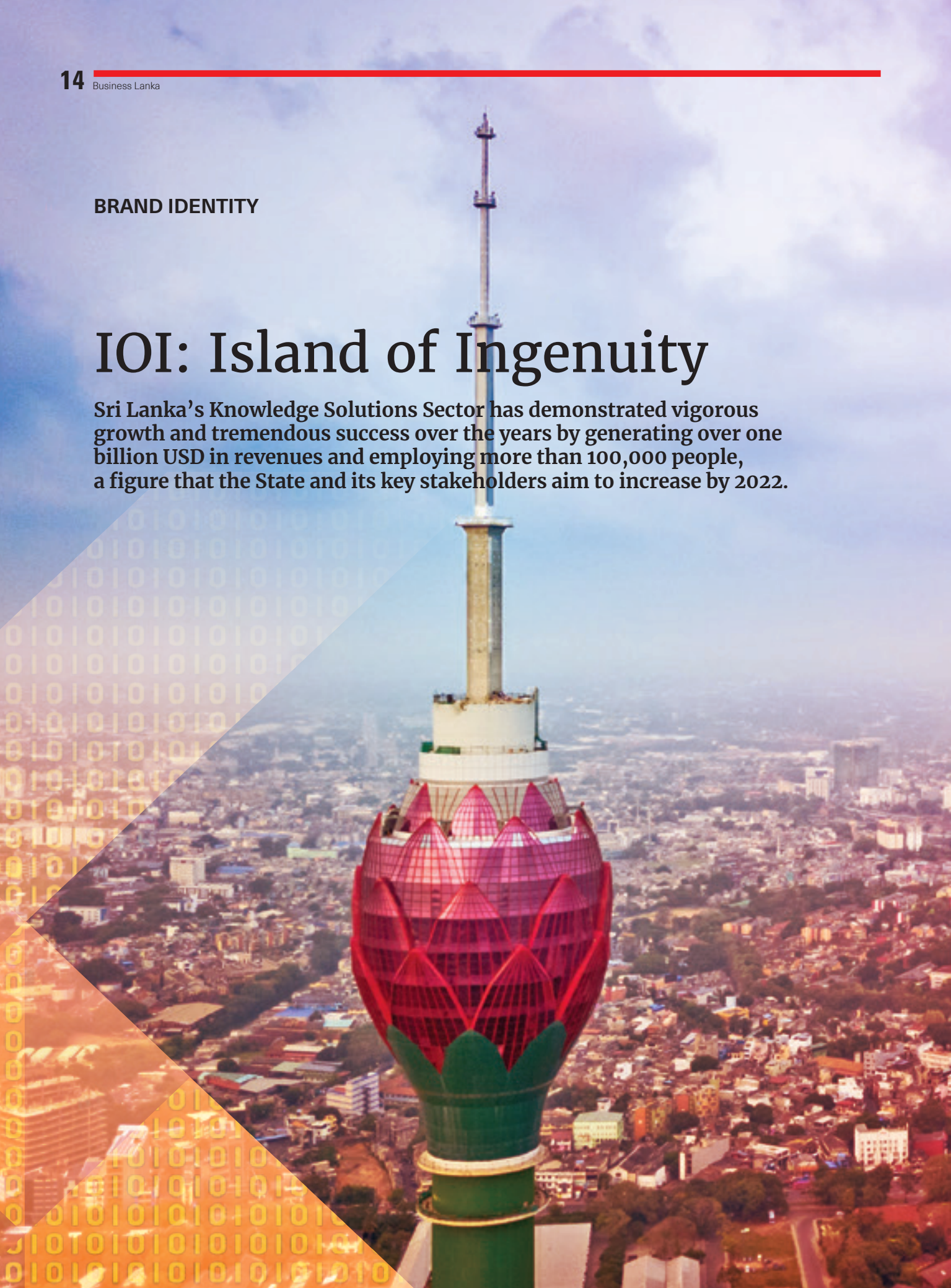
**Gayani Gunawardena,**  
Deputy General Manager,  
MAS Brands, Sri Lanka.



BRAND IDENTITY

# IOI: Island of Ingenuity

Sri Lanka's Knowledge Solutions Sector has demonstrated vigorous growth and tremendous success over the years by generating over one billion USD in revenues and employing more than 100,000 people, a figure that the State and its key stakeholders aim to increase by 2022.





Notwithstanding the outstanding role of Sri Lanka's IT sector, which stands tall as proof of what Sri Lanka has to offer as a knowledge hub, and the fact that the industry has been empowering many global brands across the world, it lacked an IT/BPM country brand. Given this potential, the Export Development Board (EDB) together with key stakeholders, embarked on a process of creating a brand identity for Sri Lanka's IT/BPM industry, thereby providing a common brand platform through alignment. Thus, the Island of Ingenuity (IOI) campaign was launched in February 2018 to give the IT/BPM industry in Sri Lanka the priority it deserves to ensure the sector's continuous growth, and is aimed at creating greater visibility for the industry.

The brand development process began with the creation of a tagline, followed by the designing of a logo. The new IT/BPM industry brand 'Island of Ingenuity – Knowledge Solutions' was officially launched on February 15, 2018 by Hon Malik Samarawickrama, Minister of Development Strategies and International Trade, in the presence of key stakeholders, special guests and invitees. The event was intended to create wider industry awareness and to help internalise the brand.

Creativity, thought and meaning went into the process of crafting an identity for IOI. The map of Sri Lanka is encased within the letter 'o', and the logo achieves a futuristic look by connecting the binary to the acronym for Island of Ingenuity. The colours selected for the new brand identity were aligned with the colours of the national flag of Sri Lanka. Warm yellow signifies positivity, energy and honour; enthusiasm, determination and success are denoted by vibrant

orange, bold burgundy suggests creativity, confidence and courage and fearless green for growth and ambition, characteristics that define the country's IT/BPM industry.

The EDB was chosen to own the brand, given that it is the focal State agency mandated with developing and promoting exports, besides the fact that in doing so it allows subsectors of the IT/BPM industry to be included, while enabling the possibility that other sectors such as electronics and nanotech, may also decide to use the brand. The EDB appointed a Branding Committee with representation from the EDB, ICTA, BOI, SLASSCOM, FITIS and SLEMEA, which has been a partner in creating the IOI brand and will continue to act as the custodian of the brand, assisting the EDB to manage the brand. While the initiative is funded by the Government, the Asian Development Bank also co-funded the process.

What is unique about the IOI brand identity is the manner in which the sector is marketed to the world. It provides an overview of the facilities, infrastructure, the enabling environment and the opportunities in

#### Opposite page:

Lotus Tower, the tallest modern telecommunication infrastructure.

**What is unique about the IOI brand identity is the manner in which the sector is marketed to the world. It provides an overview of the facilities, infrastructure, the enabling environment and the opportunities in Sri Lanka...**



Creativity, thought and meaning went into the process of crafting an identity for IOI. The map of Sri Lanka is encased within the letter 'o', and the logo achieves a futuristic look by connecting the binary to the acronym for Island of Ingenuity.



## THE SRI LANKAN APPROACH

The Values embodied in Sri Lanka's IT and BPM sector and the country's unique approach to delivery have been key reasons for Sri Lanka emerging as a leading hub for IT and BPM-related products and services.

### VALUES

#### Innovation and problem solving

Priority and focus is centred around innovation, rather than pure product output and scale.

#### Smaller innovators

Innovators tend to be smaller, to foster creative solutions, sidestep bureaucracy and lengthy decision cycles.

#### Customer relationships

Cultural tendency to place relationship at the forefront –creating open, and close relationships with stakeholders.

#### People centred

People are valued above all and are recognised as true assets within the organisation.

### APPROACH

#### Creative and flexible approach

Creative solutions to industry issues with a flexible mindset.

#### Nimble and agile

More pivot-friendly to develop optimal solutions.

#### Warm & Hospitable

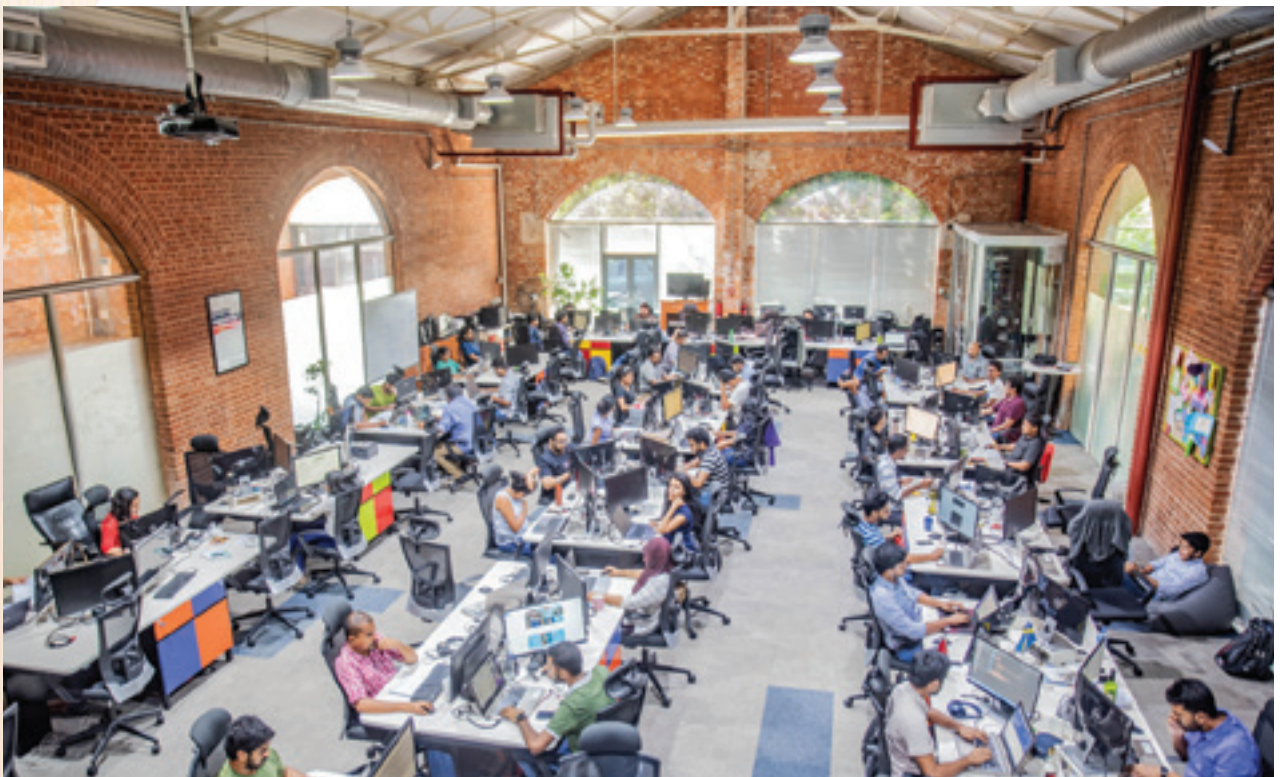
Creates a discussion and innovation friendly environment

#### High EQ and pro individuality

Fosters EQ development and provides a platform for innovators to make their voices heard.

#### Bottom:

Calcey Technologies is an innovation firm specialising in offering a comprehensive range of online services.



Sri Lanka, while explaining the values embodied by Sri Lanka's IT/BPM sector in delivery, which are governed by innovation and problem solving, and smaller innovators, steeped in the ethos of placing relationships at the forefront – a cultural trait, besides being people centered.

What is encouraging is the eagerness demonstrated by the Government and the stakeholders to use the new brand identity at local and international events, which has already been taken global. The brand was presented at the Commonwealth Enterprise and Investment Council, attracting many delegates from the Commonwealth Business Forum, which was held on the sidelines of the Annual Commonwealth Conference held in April 2018 in London. The EDB adopted the IOI brand when it organised a trade mission to the Japan IT Week in May 2018, using the IOI brand and logo prominently in designing the pavilion, which also provided the space for ten Sri Lankan IT companies to showcase their products and services. The brand has also been showcased in Sweden and Australia. When the Government launched its National Export Strategy in July 2018, the IT/BPM industry was selected as a thrust industry, with the NES-IT Strategy document displaying the IOI logo on the cover of the document as well as displaying at the NES launch event. In addition, industry bodies, corporates and individuals are using the IOI brand as the industry identity; notable among them was the adoption of the IOI brand theme at the SLASSCOM Innovation Summit and Awards in June 2018. SLASSCOM also used the IOI brand logo at the People's Summit in February 2018, and at career events and at the Southern IT Week.

On the question of why the IT industry needs a separate brand identity, the need had been long felt among many stakeholders, especially when it is an industry of multiple global players, with emerging markets like Egypt, Brazil and Korea marketing their knowledge services sector through a distinctive brand identity.



**Above:** Colombo Centre for Cognitive Computing is Asia-Pacific's home of Artificial Intelligence (AI), Extended Reality (AR, VR, MR), machine learning and humanoid robotics.

**By promoting the country as the Digital Gateway to Asia, and by focusing on domain-specific transformative IP and product creation, Sri Lanka can evolve into a Digital Disruptor.**

Moreover, local knowledge service providers lamented the disadvantages of a lack of a brand identity, which failed to provide an overall image of what the Sri Lankan sector has to offer by way of services. For example, Ceylon Cinnamon, Ceylon Tea and Sri Lanka Cricket have become powerful brand identities that have successfully created enormous exposure and spotlight for these products. The point that stakeholders make is that with a brand identity, the need to pitch the product among potential clients while spending extra time on introducing Sri Lanka's IT sector and its potential would not be required, because the brand is known.

The IOI brand promotes three core industry aspirations, namely Sri Lanka as a creator of 'Captive Innovation Centres', 'Digital Gateway to Asia', and evolve to be a global 'Digital Disruptor'. By creating Captive Innovation Centres, companies can build on their product engineering heritage as well as grow intense data science capabilities, while global entrepreneurs will be able to use Sri Lanka as an effective test-bed for their entry into South Asia. By promoting the country as the Digital Gateway to Asia, and by focusing on domain-specific transformative IP and product creation, Sri Lanka can evolve into a Digital Disruptor.



**What is encouraging is that the industry in general, desires wider use of the brand by many companies as possible to drive the new image of Sri Lanka as widely as possible.**

Sri Lanka of course has many companies that have proven their mettle under each of the above categories and by promoting the IOI brand under the above elements, the campaign intends to see Sri Lankan businesses taking credit based on the three categories. While giants in the industry have their corporate branding guidelines, they also need to focus on the core industry aspirations, at least for a certain period of time, which will certainly benefit the SMEs in the industry, who could follow suit.

Companies working in the IT/ BPM space can access the logo to be used across multi-channel platforms, provided that it is done within the brand guidelines, with terms and conditions to be agreed upon. The brand guidelines define how the brand identity and the design

will consistently be used across different applications and media, which will ensure uniformity in look and feel. Moreover, adherence to brand guidelines, will ensure that the core brand values and identity are not compromised. Entities that are interested in accessing the IOI brand can access from the EDB's official website. What is encouraging is that the industry in general, desires wider use of the brand by many companies as possible to drive the new image of Sri Lanka as widely as possible.

In order to ensure the sustainability of this initiative, the EDB understands the importance of sustaining the momentum of the IOI brand, given that it has been successfully accepted and adopted by industry stakeholders.

Following its initial launch in Sri Lanka, a digital marketing

**Bottom:** London Stock Exchange Group.





**This Page, top row, left:** Codegen is a software company specialised in providing solutions to travel and tourism industry. **Right:** Codegen also specialises in the automobile sector, known for designing the first all-electric supercar, using advanced software and hardware solutions to optimise performance and drive-train technology.

**Bottom left:** LiveRoom is a solution provider in core 3D Graphics Development, Rendering Engine Development, Computer Simulations, Augmented Reality (AR), Virtual Reality (VR) and Mixed Reality (MR) solutions. **Bottom right:** Wavenet is a telco software, systems and infrastructure solutions provider to wireless and wireline carriers.


**IOI will provide the platform to create an integrated focus towards the industry's marketing initiatives, to communicate that Sri Lanka has the expertise that is second to none.**

campaign supported by the ADB focused on creating awareness of the brand in the global markets, through selected social media channels and online sites.

The Island of Ingenuity website is online. It is another key focus area where content is understood as crucial, and continuous feed of content is vital to keep the campaign effective. Building capacity of personnel managing the social media campaign for the IOI brand is another crucial point in the process. Hence, training in capacity building has also been implemented.

Marketing and communication material, such as photographs, case studies, brochures, and company cards have been developed to be showcased at international events and fairs. Two videos – a short video as a curtain raiser, and a longer version to bring out the meaning of the brand in detail have been shared with foreign missions and chambers to ensure greater visibility through distribution.

In terms of positioning Sri Lanka globally, IOI will provide the platform to create an integrated focus towards the industry's marketing initiatives, to communicate that Sri Lanka has

the expertise that is second to none. It is also to attract global businesses who will consider partnering with Sri Lankan companies, to create distinction from other countries offering similar products and services, and to create a sense of worth among those in the industry and attract prospective talent. 

**ICT/BPM team**  
Sri Lanka Export Development Board

## CEYLON SPICES

# Country-of-origin mark for spice exports

**The Export Development Board launched the country-of-origin trademark for the spices sector, thus initiating Sri Lankan produce and products to build recognition and trust as an identifier of genuine Sri Lankan origin in the global market.**

**T**he Export Development Board launched Sri Lanka's country-of-origin certification mark for the spices sector. The trademark supports growers, processors and manufacturers by helping them clearly identify their products as Sri Lankan-made, and inform customers and consumers that all significant parts, produce, processing and products are of genuine Sri Lankan origin.

The strategy is also underpinned by a third-party accreditation system, which ensures that certified products meet rigorous standards in accordance with Sri Lanka-Origin claims. Spearheaded by the Export Development Board, the matrix of stakeholders comprises, the Department of Agriculture, Department of Export Agriculture, Department of Commerce, Ministry of Development Strategies and International Trade, Ministry of Primary Industries, Ministry of Agriculture, Ministry of Foreign Affairs, Sri Lanka Customs, Sri Lanka Accreditation Board, Sri Lanka Standards Institution, and the Industrial Technology Institute.

## Market dynamics

To develop the final positioning, the 18-month project included a global quantitative study of current

and future market dynamics and a segmentation of key competitor countries by volume and value market share, as well as inputs from global value chain experts in France and the UK.

"The key volume import markets globally are the US with 20 per cent volume share, India with 13 per cent, Mexico with 4.4 per cent and Bangladesh with four per cent," said Pesala Karunaratne, Brand Strategist. He added, "Main value import markets are the US with 20 per cent share, Mexico with 15 per cent and India with eight per cent. Indonesia, Vietnam and China have emerged as the key volume players, aggressively leveraging scale to build bargaining power and value chain partnerships upstream and downstream to drive higher margins."

"All three countries produce Cassia, which directly substitutes Ceylon Cinnamon in consumption," he added. "Due to the price premiumness of Ceylon Cinnamon and the wide availability of Cassia, industrial buyers use a mix of Ceylon Cinnamon and Cassia in their recipes to lower input costs. This has triggered greater demand for Cassia."

Karunaratne says the analysis also shows that Indonesia, Vietnam and China strategically focus on

different regions globally. "Indonesia concentrates on developed markets in the US and Europe – it dominates the US with 70 per cent volume share and 59 per cent value share – while Vietnam and China have positioned their industries to supply rapidly growing demand from South East Asia, South Asia and the Middle East. Vietnam commands 75 per cent volume share and 78 per cent value share in the Indian market, while China has 60 per cent volume share and 61 per cent value share in Bangladesh."

"Sri Lanka accounts for nine per cent of volume share and 32 per cent of value share globally. It continues to perform strongly in Latin America and dominates the Mexican market, with 84 per cent volume share and 94 per cent value share. Mexico is the third largest volume imports market with only 4.4 per cent volume share, although it accounts for 15 per cent value share, the highest globally."

A significant competitive threat is emerging from Madagascar, one of the few countries outside Ceylon to grow True Cinnamon. Madagascar's main markets in Europe include the Netherlands with 25 per cent volume, while 16 per cent, 13 per cent and 10 per cent are exported to Germany, France and Spain respectively. With





The trademark supports growers, processors and manufacturers by helping them clearly identify their products as Sri Lankan-made, and inform customers and consumers that all significant parts, produce, processing and products are of genuine Sri Lankan origin.



a two per cent volume share globally against Sri Lanka's nine per cent, Madagascar records a high CAGR of 17 per cent volume and 31 per cent value respectively.

***"Ceylon Cinnamon from Madagascar is now widely available in Germany."  
– Customer (Germany)***

Karunaratne said the goal must be to increase volumes to meet future global and market-wise demand. "This would enable Sri Lanka to consolidate and grow its share in Mexico and Peru, both traditional markets that have recently seen gains by Madagascar, while also refocusing and diversifying into new markets where Sri Lanka's share is significantly smaller – such as North America – or where its share is negligible, like the UK, Germany, the Netherlands and Spain."

During the past five years, Sri Lanka has seen a value share gain of 2.2 per cent and a CAGR of 11 per cent against the industry's 13 per cent, which could be attributable to price growth in the overall category. However, during this same period, the country's volume share declined by -1.7 per cent with a CAGR at -9 per cent against an industry CAGR of 2 per cent.

Sri Lanka continues to be challenged in increasing volumes in the medium-to long-term due to the country's limited availability of large-scale land for commercial production and the prevalence of unorganised, smallholder farming.

## **Transparency and traceability**

In addition to the quantitative study, a three-month qualitative research study – with growers, processors, and manufacturers in Sri Lanka and industrial customers in key export markets in Germany, Mexico, the USA, and India – prioritised the demand drivers for the category, as well as cinnamon and pepper.

"Our research in these markets shows that consumer preferences are increasingly establishing food consumption trends," said Michel Nugawela, Interbrand's Sri Lanka Partner. "They are demanding more transparency and are willing to pay a premium on credible information prior to consumption regarding origin, how products are produced, how they are certified by authorised bodies, how they are labelled with safety assurances, and how they move through the supply chain. Traceability on its own is not valued unless it is associated with food safety management systems and quality management systems like HACCP, SQF, GAP, GHP, GMP, and/or other credence attributes."

***"The power is now at origin through partnerships."  
– Value Chain Analyst (France)***

In the recent years, supply chain transparency and traceability is increasingly driven by flavour and fragrance producers, who now directly source raw material at origin. For example, the close partnership Givaudan has developed with Madagascar, based on their 'Sourcing for Shared Value' approach, provides the manufacturer with a direct sourcing model that creates value among smallholder producers and village associations, and in turn, offers the best ingredients to their customers.

Givaudan's inauguration of NATEMA with Henri Fraïse Fils et Cie in 2017 also provides Madagascar with the knowledge to develop and process natural ingredients into the derivatives used for its fragrance and flavours creations.

"Since Sri Lanka continues to be challenged in increasing volumes in the medium-to long-term, a stronger industry and government commitment to ramping up research and technology capabilities to manufacture derivatives, as well as entering and consolidating presence in markets with higher purchasing

power for value added products, will be a critical success factor," said Nugawela.

## **Portfolio strategy**

A key objective would now be to develop a larger basket of spice products that has the potential to gain visibility, credibility, and growth by closely identifying its offering with Ceylon Cinnamon. "True or Ceylon Cinnamon continues to drive the equity of the 'Ceylon' trade name through its positioning as a high-quality, niche offering in an increasingly commoditized global market," said Nugawela.

***"The odour of Ceylon Cinnamon gives us top notes in our fragrance lines."  
– Senior Perfumist (UK)***

"Each of these products – clove, nutmeg, cardamom, and pepper – share equally unique profiles and properties. Ceylon Pepper, for example, boasts the highest piperine levels, between 7-15 per cent, against Indian, Malaysian, and other varieties of pepper which have as little as 2-7 per cent. Cardamom also claims a differentiated profile. We are now leveraging these properties through a unified positioning and proposition, against global competitors who have been quicker in branding their products with strong origin claims, such as Telicherry or Vietnam Pepper."

***"Ceylon Pepper is extremely valued and there is strong demand because of its high piperine content."  
– Producer (India)***

## **'Born in Sri Lanka'**

"Nation branding strategically steers the image of a country in order to increase trade, attract companies and foreign direct investment, or stimulate tourism," said Guido van Garderen, Global Lead Destination Branding (Exports, Investments, Tourism), Interbrand, who closely



**Malani Baddegamage**  
Director  
Export Agriculture Division, EDB.



**Michel Nugawela**  
Sri Lanka Partner  
Interbrand.



**Pesala Karunaratne**  
Brand Strategist.



**Guido van Garderen**  
Global Lead Destination Branding  
– Exports, Investments, Tourism,  
Interbrand.

worked on the strategy. “When differences between products become arbitrary, perception of the brand dictates reality. One way to think of a nation brand is as a set of associations, and a well-defined brand helps countries gain a strategic long-term brand advantage.”

Tangible and intangible demand drivers, including emotional contributors such as geography and heritage of place, were also derived through the three-month qualitative research study and resulted in the positioning and country-of-origin strategy.

“The ‘Born in Sri Lanka’ platform communicates four key associations which, when taken together, provide Sri Lanka with a sustainable differentiation and an image that cannot be imitated by competitors,” said Nugawela.

The associations competitively define Sri Lanka-Origin claims in this sector, and broadly correspond with the ongoing process of Geographical Indication for Ceylon Cinnamon: indigenous and/or endemic products; agro-climatic conditions; proprietary knowledge; and the spirit of the small farmer.

‘Born in Sri Lanka’ has been chosen because:

- “True” Cinnamon (*Cinnamomum verum*) spread to the rest of the world from its native home of Sri Lanka.
- Sri Lankan spices are grown from seed to crop and processed exclusively in the island, which has the prime agro-climatic conditions required for their cultivation – perfect soil conditions, nourished by monsoon rains, and energised with bright sunlight – and unique properties.
- Age-old knowledge and expertise is not found elsewhere in the world. Sri Lankan spices are handpicked and cared for by farmers, as they have for generations (or centuries).
- It is brought to customers from Sri Lanka, by Sri Lankans, who passionately understand the value of spices, use them in their favourite meals and dishes, and believe in their transformational flavour and fragrance qualities.

## Wider strategy for standardization

The country-of-origin trademark is administered by the Sri Lanka Export Development Board and part of a wider strategy of standardization for ‘Sri Lankan Made’ products that raises their profile in international markets.

“Just as Sri Lanka lends its personality to indigenous brands, successful brands also influence perceptions of their homeland,” Nugawela said. “The more brands that consumers know are ‘Sri Lankan Made’, the more likely they are to prefer Sri Lanka as a country-of-origin. This multiplication factor is essential if Sri Lanka-Origin claims are to be represented by a single standard of quality and unity for Sri Lankan businesses in the global market.”

The country-of-origin trademark was launched to an international audience at Anuga, the world’s largest food and beverage exhibition. Exporters meeting the accreditation standards are encouraged to use the trademark in export markets. “The goal is for Sri Lankan produce and products to enjoy significant recognition and trust around the world, as an identifier of genuine Sri Lankan origin.” □



**Export Agriculture Division**  
Sri Lanka Export Development Board



## GLOBAL STRATEGY

# Ceylon Tea: into the world

Since James Taylor planted the first sapling of tea on the rich soil of Loolecondera Estate in the Sri Lankan highlands in 1867, tea has been the beverage of choice for Sri Lankans. Ceylon Tea as a brand, epitomises quality and global recognition. For centuries, it has been a symbol of the country.

The story however, does not end there.

## History

In 1873, merely six years after beginning the plantation, 23 pounds of tea leaves of pure Ceylonese origin from Loolecondera, made its international debut in London. Ceylon Tea leaves made a fresh and scintillating brew that tantalized the taste buds of many across the world, who then sought after this rich cup of vigour. Soon, Ceylon Tea became a beverage that tea-lovers all over the world cherished, and Sri Lanka came to be known as the land of tea.

Less than a decade after Ceylon Tea crossed seas, the first public tea auction was held on the property of

Somerville & Co, Colombo, backed by Ceylon Chamber of Commerce. The auction, continually held thereafter, would go on to become the largest tea auction in the world in terms of the number of lots sold, with the participation of small to large scale tea producers and exporters.

As of now, according to the latest statistics reports, Sri Lanka has produced 303,843 metric tons in 2018, exporting 282,363 metric tons, a percentage of 93.93 of the total production. Of the total exports of Sri Lanka, Ceylon tea holds a share (as of 2018) of 12.27 percent, according to the statistics published

by the EDB. The biggest importers of Ceylon Tea are Turkey, Russia, Iraq and Iran, with the Middle East and the Far-East making a significant appearance on the list.

## Ceylon Tea and the Lion

The pure Ceylon brew is represented by the Lion logo, 'The Symbol of Quality.' Sri Lanka and the symbol of the sword-bearing lion are inseparable, with legends heralding the Sri Lankans were borne from a lion heritage. The symbol of the lion advocates courage, steadfastness, authenticity and reliability, the true essence of Sri Lanka and her people.





The Lion logo of Ceylon Tea indicates the supreme quality that it has always inculcated, over 150 years of its history. Only 100 per cent true pure Ceylon Tea, which have been grown, produced, and packed in Sri Lanka can bear the Lion logo. It asserts the originality and the quality of the brand Ceylon Tea.

Any quality Ceylon tea brand that produces and packs tea in Sri Lanka can opt to carry the Lion logo in their packaging, adhering to the high standards that Sri Lanka Tea Board sets for the product. Bearing the Lion logo is a certification as well as a validation, which would definitely be a

value addition to the product. It goes without saying that the lion logo also carries with it the honour and the pride of the legacy of tea, that will be shared with the product once it has been selected to carry the lion logo.

### Taking Ceylon Tea to the World

Sri Lanka Tea Board (SLTB) has initiated a global brand promotion campaign, that will promote and sustain the legacy of Ceylon Tea internationally. Launched on September 25, 2019 in Moscow, Russia, the promotional campaign will be carried across 12 countries: Russia, Ukraine, Japan, China, Australia, the United States of America, Germany, Saudi Arabia, the United Arab Emirates, Turkey, Chile, and Iran.

**SLTB has initiated a global brand promotion campaign, that will promote and sustain the legacy of Ceylon Tea internationally... The promotional campaign will be carried across 12 countries: Russia, Ukraine, Japan, China, Australia, the USA, Germany, Saudi Arabia, the UAE, Turkey, Chile, and Iran.**



### The Story of Lion Logo

The Lion logo is a symbol of quality. The Logo is owned by the Sri Lanka Tea Board and is globally trademarked. The Lion Logo on a pack of tea is a guarantee for 100 per cent Pure Ceylon Tea packed in Sri Lanka.



The objectives of the campaign are, in order of priority,

1. Brand consideration
2. Brand quality recognition
3. Brand awareness
4. Establishing provenance

Ceylon Tea has already penetrated the world market, and in the 150 years of exporting the esteemed product, tea consumers and buyers all over the world are familiar with the cadence of 'Ceylon Tea.' It is a matter of moving from brand awareness to brand consideration, convincing the potential consumers to gather interest on the product so that they will be ready to move to the next stage - buying. The second objective is to establish brand quality so that the potential buyer would recognise the Lion logo and immediately identify the logo synonymous with premium quality and authenticity, exclusively packed in Sri Lanka. In order to do so, the Lion logo has to be present

in the consumer contact spheres, portraying the values it stands for.

The third objective is brand awareness, that is, getting into the knowledge circles of prospective consumers. The introduction is expected to convey the brand values of Ceylon Tea to the prospects, who are tentative tea consumers. By growing brand awareness, Ceylon Tea is likely to garner a new set of consumers from the targeted countries through the global campaign. The fourth and final objective of the global campaigns is to establish provenance. This is closely tied with the brand perception of Ceylon Tea, associating the brand with authenticity and quality as key values that Ceylon Tea entertains.

The campaign rests upon three strongholds – authenticity, premium quality and wellness – that have been decided upon examining the potential market segments. As identified by the market survey, the emerging

generation of young tea drinkers are the target audience for the campaign, and the three strategic strongholds of the campaign are set to correspond with their consumer characteristics.

The 'Emerging Tea Drinker,' as identified, is observed to be aspirational and experimental. They consider authenticity and craft to be important, and they seek knowledge to make more informed choices. It is these characteristics that the global campaign by Sri Lanka Tea Board aims at, disseminating knowledge of the brand and keeping the target consumer segment informed of Ceylon Tea, compelling them to choose Ceylon Tea on their own.

While the drivers of preference, authenticity, premium quality and wellness remain same across the entire campaign in promoting Ceylon Tea to the world, the campaign tools will be customised to suit the audience climates of each country that the Sri Lanka Tea Board is targeting.





For example, as a brand promotion strategy, Sri Lanka Tea board has chosen communicating via KOLs (Key Opinion Leaders). But when utilising KOLs in separate countries, the communication medium has to differ accordingly. For instance, Japan is a country that entertains a considerable amount of print media circulation. Therefore, when utilising KOLs in Japan, the campaign strategy dictates that KOLs make their communication of the Ceylon Tea brand through print media. Likewise, the consumer cultures of each country demands the campaign tools to be adjusted accordingly. This requires a thorough understanding of consumer environment and their brand perception.

The campaign strategy includes Brand Activation and Search Engine Marketing as well. Brand Activation allows the potential consumer to be in touch with the brand before he makes a purchase, and gives him the choice of actively participating in sampling sessions that would be organised at consumer hubs such as malls, wellness centres, and festival spaces. The tea brands that bear the Ceylon Tea authenticity and carry the Lion logo are invited to take part in these brand activation sessions.

Since this is the age of information and digitization, Ceylon Tea brand is also expected to have a digital presence as a means of disseminating brand awareness to the prospective consumer, who, as the market survey suggests, is connected to digital spaces continuously via the internet or social media. The aim is to run advertisements online and publish search engine optimized content, with 'www.pureceylontea.com' as the landing page. The website contains all the information that is required to find a shop or buy online, complemented with eye-catching graphics and compelling stories of Ceylon Tea.

The campaign also focuses on connecting Sri Lanka with the brand – Ceylon Tea. Ceylon Tea came into



**Ceylon Tea brand is also expected to have a digital presence as a means of disseminating brand awareness to the prospective consumer, who, as the market survey suggests, is connected to digital spaces continuously via the internet or social media.**

the markets when Sri Lanka was still called Ceylon, and the tea consumers from all over the world embraced Ceylon Tea from Ceylon. But now, nearly 50 years after the country being identified as Sri Lanka, there seems to be a perceived distance between the brand Ceylon Tea and its originating country, now called Sri Lanka. The global campaign intends to strengthen the connection between Ceylon Tea and Sri Lanka, while establishing the brand identity as an authentic, premium quality tea.

### **Ceylon Tea and the World**

The brand positioning for this campaign aims at the current consumer, potential consumer, and prospective consumer to perceive

Ceylon Tea as flag-bearers of quality and authenticity. Sri Lanka, as the fourth major exporter of tea in the world, can aspire to greater heights, as it carries the brand Ceylon Tea into the international market with a clear strategy. 🇱🇰



**Pavithri Peiris,**  
Director Promotions,  
Sri Lanka Tea Board.

# Sri Lanka Tourism: growing bigger and better

Historically, Sri Lanka has been a unique destination that complements the tourism industry in the world. However, Sri Lanka, as a tourism brand has not utilised its fullest potential in garnering a competitive advantage. Kishu Gomes, former Chairman, Sri Lanka Tourism Promotion Bureau (SLTPB) elaborates on developing Sri Lanka as a tourism brand and expanding its reach across the world.







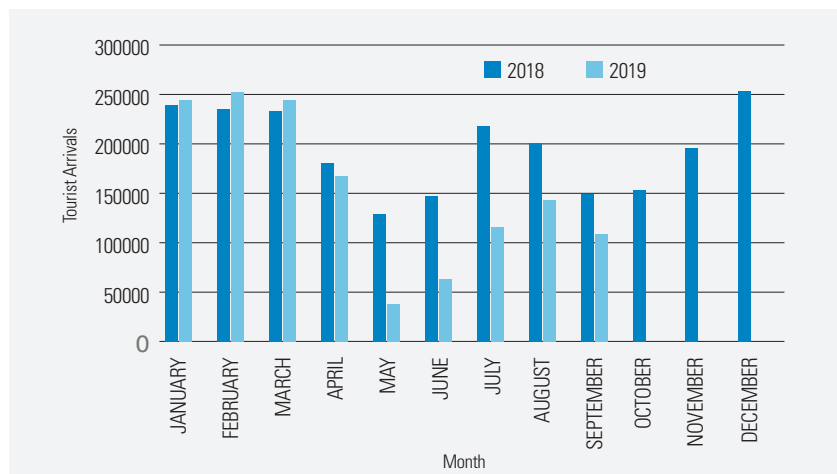
In the recent past, Sri Lanka as a tourist destination and a brand has grown, driving the numbers up in terms of tourist arrivals up to 2.3 million in 2018, a growth of 10.7 per cent from the previous year's records. The potential for growth amounts to more deliverables, in quality and quantity. The brand elements that are not being highlighted at present should be brought to the attention of the target audience, building a stronger brand and a presence. The brand is good but the potential is much bigger. Therefore, we should be strategic in what we do from now for the next two to three years to create that super-brand, which by then would become unmatched by any country.

### Exploring the Potential

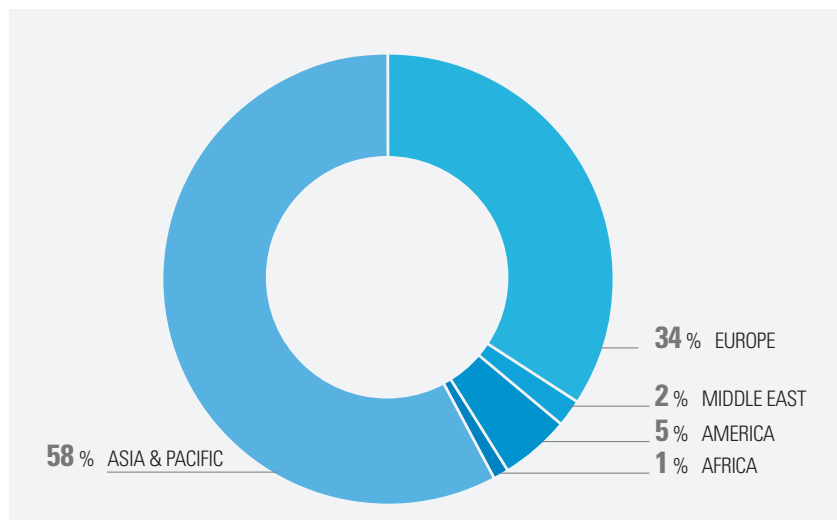
Given that Sri Lanka is a small country with a limited extent of land, the country offers a variety of popular tourism products such as history, culture, wildlife, beaches, and nature that include Sigiriya, Nuwara Eliya, the Temple of Tooth Relic, whale and dolphin watching, and tea gardens. Being interesting tourism products, these attractions have received the due traction and they contribute positively to the growth of revenue in the sector. While those segments continue to deliver high rates of returns, there are other tourism products in Sri Lanka that have potential, yet have not been adequately capitalised on.



## TOURIST ARRIVAL BY MONTH



## TOURIST ARRIVAL BY REGION – SEPTEMBER 2019



**Sri Lanka's Unique Selling Proposition (USP) in the tourism industry is that it has the best and the widest diversity within the smallest extent of land. Within one hour, one can cross many climates and diverse landscapes. Accordingly, Sri Lanka is very well positioned for the film industry.**

Destination weddings for example, are a product that has the potential to grow in Sri Lanka. There is a growing trend in the world for exotic destination weddings where an exclusive clientele seeks to celebrate their wedding ceremonies in cultural and natural settings different to that of their own. Sri Lanka is on its way as an entrant to that particular market, but there has to be an effective strategy and communication to build the market segment.

Another segment that can be developed is locations for the film industry. Sri Lanka's Unique Selling Proposition (USP) in the tourism industry is that it has the best and the widest diversity within the smallest extent of land. Within one hour, one can cross many climates and diverse landscapes. Accordingly, Sri Lanka is very well positioned for the film industry. For example, if the locations are selected in India for film logistics, one might have to travel thousands of kilometres to travel from a cold climate to a hot climate. But here in Sri Lanka, it is possible to travel from one climate zone to another in a few hours. There is a demand, but when it comes to developing that segment, there are certain facilities that have to be provided including tax concessions based on the revenue generated.

The authenticity of experiences is also in demand at present. The global traveller is not merely satisfied with staying in star hotels. They are moving in the direction of experiencing and understanding different cultures. Luxury is something the traveller is at freedom to have anywhere in the world. But authentic cultural experiences are offered only where they originally come from, which is a point of advantage for Sri Lanka, being a country with a rich history and preserved heritage.

The younger generation or the independent traveller leans towards adventure tourism, which is another market segment that Sri Lanka can capitalise on. However, the future should be dependent on the bigger segment of tourists, capable of generating the right margins of

deliverables for Sri Lanka. The country is not able to accommodate more than ten million tourists at any given time, owing to the limited extent of land, and thus we should not aim at generating the same numbers as other destinations, for example Thailand. Therefore, the focus should be on the segments that Sri Lanka has the potential to grow, rather than following mainstream marketing strategies and offering the same products as other tourism giants in the world.

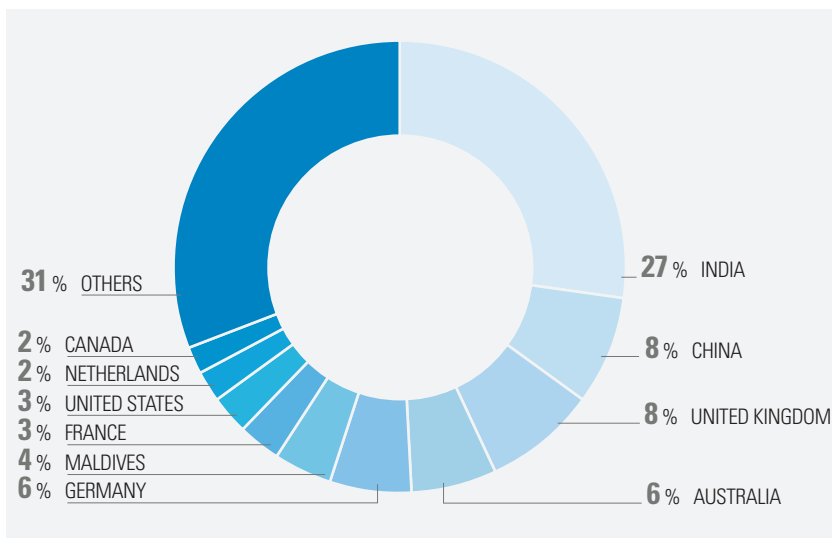
### Action Plans and Strategies

The Government and the relevant authorities have developed several initiatives that take into consideration product development and current requirements, and have streamlined the strategic plan into a five-year development plan.

The Government, together with other stakeholders, is now moving to further expand domestic air travel. There is an identified need to improve land travel as well. Once the Kandy Highway, of which the construction is underway, is completed, an influx of travellers is expected. Likewise, travel infrastructure has to be developed in order to deliver a value added experience for the visitors to the island. For example, Ella is a wonderful location, foreign guests love the area, but the required infrastructure is not there. Through the Tourism Development Authority there is a plan to develop master plans, covering seven tourism destinations, where any development happening in that area would be in line with the tourism development master plan. That is to ensure we offer a more refined product and facilities to the visitor.

The potential has not been fully explored or realised, given that above mentioned experience tourism is not being promoted sufficiently. One observable fact is that foreign tourists are not being distributed across the island on an equitable basis. 70 per cent of the foreign visitors only explore the mainstream tourism destinations in Sri Lanka, and there are relatively unexplored tourist attractions that are

### TOP TEN SOURCE MARKETS – SEPTEMBER 2019



**The focus should be on the segments that Sri Lanka has the potential to grow, rather than following mainstream marketing strategies and offering the same products as other tourism giants in the world.**

being patronised by less than ten per cent of the visitors. More than half of Sri Lanka that offer significant tourism products are not easily accessible, owing to the restrictive domestic travel.

The World Surf League is held in Arugambay – a beautiful location, with so much natural beauty, but with a considerable travel time. If there was a highway, a better train service or air connectivity at an affordable price, tourism in that area will boom. There is an immediate need to develop the transport infrastructure across the country. That would in turn lead to an influx of visitors into the newly accessible areas.

There is also a need for all relevant Ministries to collaborate. The Ministry

of Cultural Affairs, Ministry of Mahaweli Development and Environment, Ministry of Sustainable Development and Wildlife and all other ministries, departments and authorities that have a role to play in supporting the tourism industry need to coordinate with each other and promote tourism.

Though each person and organisation have their respective roles and responsibilities, these institutions must plan and take actions as a whole rather than individually, thus inculcating a collaborative approach to promote the industry. Every single citizen of the country needs to understand the importance of tourism and even with a simple smile they should be able to offer a contribution.



The development of the tourism industry is for the welfare of the people of the country, the entire population of 21 million. They need to see the correlation between the development of the tourism industry and the growth of inland revenue, understanding that all the citizens are beneficiaries in this aspect. Hence, there is a need to spread awareness among the public as well, that harnesses and develops positive attitudes towards the tourism industry and the foreign visitors as well.

### Global strategy

Towards the beginning of the year 2019, there was an influx of foreign visitors, which was then affected by the incidents in April. Though it was expected that recovery process would take more than two years for the industry to restore itself, the industry has exceeded expectations in recovery. Similar incidents have occurred in other countries, where they experienced terrorist attacks and devastation comparable to the incident that happened in Sri Lanka. When studying the nature of the incidents and how long it took for them to recover, it is evident that a country would take a minimum of 13 months to reach a desirable level. Following the events that took place in April, within five months Sri Lanka has been able to recover 85 per cent, an admirable achievement.

At present, Sri Lanka Tourism is engaged in several promotional programmes that aim at driving the numbers of footfalls and occupancy in Sri Lanka upwards. We have launched an advertising campaign on CNN, and in 12 major markets including China, India, the United Kingdom, Italy, Germany, the Netherlands, France, Australia, Belgium, Sweden, and Switzerland. The campaigns have been customised according to the target country and the most popular medium in the particular country. In several countries advertising is done via television channels. Some countries are receptive to press advertisements or a combination of press and television. Several other countries are open to advertising on public transport, billboards, and shopping malls. In some countries such as the Netherlands where the bicycle is perceived to be the best mode of transportation, Sri Lanka tourism advertisements have been displayed on bicycles.

Public Relations strategies are to be implemented in the above mentioned 12 countries along with the countries in the GCC region. PR agencies will be appointed in each country that will support Sri Lanka Tourism authorities better understand the respective markets. The representatives will be responsible for monitoring the competitors' activities, assisting with marketing research and survey to enable better informed decisions, and executing the marketing activities in the respective countries. The representatives would be the Sri Lankan presence in the target market throughout their appointment.

In addition, a tour operator incentive programme will be launched in the near future. Sri Lanka Tourism is geared to offer attractive incentives to travel agents who bring foreign guests to Sri Lanka. In addition to their commission, the incentive that Sri Lanka Tourism will contribute is expected to be a motivating factor for the industry players. Currently, 85 tour operators have applied to be part of this novel programme.

Plans are underway to recruit a global advertising agency to work with SLTPB over the next three years to refresh the brand strategy of Sri Lanka Tourism, the marketing communication and promotional strategy. The focus will be on new markets rather than only placing significance on the traditional markets. This is important because there can be a situation where getting an extra thousand tourists from a market we are already getting tourists from would be harder than getting tourists from a country we have not focused on before.

### Way Forward

Whether we are Sinhala, Tamil or Muslim, whether we are professionals or politicians, we all need to understand the importance of tourism. This understanding is very important for the development of the tourism industry in Sri Lanka. While there are pros and cons in developing the tourism industry, the positives are enormous and Sri Lanka's future depend on them.

Considering the impact of the tourism industry on the community and the country, there are certain negatives that the stakeholders should be mindful of. It is imperative that all the stakeholders from the authorities to the individuals take measures to mitigate these negative aspects.

Understanding the need to promote and develop the tourism industry is not enough; there has to be genuine support lent by the communities in the country. I request all stakeholders to leave aside their differences and work together to grow the industry. They will benefit from the growth of the industry.

Let us be positive and see what we can contribute as an individual, as a tourism investor, as an employee or as a citizen of the country. Let us do positive things in order to create a better Sri Lanka for everyone. ☐

**Kishu Gomes**, former Chairman,  
Sri Lanka Tourism Promotion Bureau.



SLIM

# Branding is a must!

A new era has dawned as a result of today's unprecedented technological advancement. It is common knowledge that consumers can be misled by unscrupulous manufacturers claiming authenticity for a substandard product. In addition, the landscape has changed in marketing communication due to the exceptional development in the digital marketing frontier, where consumers are besieged with a profusion of products, which fulfill identical needs.



SLIM Brand Excellence award ceremony.



Suranjith Swaris, President, Sri Lanka Institute of Marketing addressing at the launch of Certificate in Entrepreneurial Marketing (CEM) programme.

We say, the business world we live in today is a VUCA World. VUCA means Volatility, Uncertainty, Complexity and Ambiguity. The biggest challenge a manufacturer or a product owner faces is how to build a long lasting relationship with consumers. This challenge could be overcome by allowing consumers to purchase a specific product on a regular basis by maintaining the product confidence. Nevertheless, it is easier said than done as this aspect is far more challenging at present than in the past. This is due to the unprecedented advancement in technology, which is much more demanding due to stiff competition as well as real time access to information.

The ultimate solution to this challenge faced by businesses is innovative branding and marketing. Al Ries and Jack Trout emphasise that, "Marketing is not a battle of product. It's a battle of positioning," which highlights the importance of the branding and marketing process.

Branding plays a pivotal role in today's volatile market place.

Businesses need to build iconic brands that are loved by the consumers, now more than ever, to ensure their survival and continued success. More importantly, as a country focusing on economic development, are we giving the required prominence to this exercise of branding?

How can branding not be relevant to any business in the world?

As we consider the business world, we can clearly discern the emphasis given by leading business magnates and companies towards branding regardless of whether they are in product or service industries or for that matter even for branding as a country. When considering the brand value, the value of some brands is much greater than the total GDP value of Sri Lanka. According to Forbes, the brand value of Apple is USD 205 billion, Google 167 billion, Microsoft 125 billion, Amazon 97 billion, Facebook 89 billion, Coke 59 billion, Samsung 53 billion, Toyota 44 billion, McDonalds 43 billion and Louis Vuiton 39 billion in the year 2019 whereas the GDP value of Sri Lanka is USD 88 billion according to the Central Bank of Sri Lanka.

**"Marketing is not a battle of product. It's a battle of positioning," which highlights the importance of the branding and marketing process.**



'Gamata Marketing' – Eat street promotion.

By analysing this brand value comparison, one can understand how those countries are maintaining and sustaining economic growth successfully. Therefore, in my opinion, Sri Lanka needs to focus on branding, entrepreneurship, and exports to develop our economy.

SLIM, the Sri Lanka Institute of Marketing, as the national body of Marketing in Sri Lanka has taken several steps to propel Sri Lanka towards this brand development process, especially by supporting and motivating the SMEs in Sri Lanka to focus on brand development exercises and to create an awareness about the importance of marketing for entrepreneurs.

In this context, a few years ago we introduced SME brand of the year category for the SLIM Brand Excellence Awards event to encourage and assist Sri Lankan SMEs to focus on brand development. We conduct workshops on branding across all districts with the support of the chambers and the EDB to provide the required knowledge to support our entrepreneurs.

In order to support the rural economy, SLIM launched the 'Gamata Marketing' programme a few years ago. Brand development is one of the core areas focused on in this programme. To further enhance this mission, we have introduced the most sought-after practical education programme in Sri Lanka for brand management, the DSBM, Diploma in Strategic Brand Management. This 12-month programme helps motivate our young aspiring marketers and entrepreneurs to improve their knowledge in branding. This programme provides hands-on experience for launching a real-time brand to the market by applying the theoretical knowledge learnt in the classroom.

I am happy to note that we have seen very positive responses from those young marketers and entrepreneurs regarding this branding mission. Moreover, SLIM launched the Certificate in



Brand unveiling session of Diploma in Strategic Brand Management.

Entrepreneurial Marketing (CEM) programme in 2018 with the aim of increasing awareness and understanding of the essential applications and relevant tools in entrepreneurial marketing. Special emphasis is given to brand development in order to equip participants with the know-how required to survive and thrive in an increasingly hostile and unpredictable environment.

I am sure our aspiring marketers and entrepreneurs will use this knowledge to support the national economy by manufacturing and exporting products and services.

However, we have a long journey ahead of us.

SLIM is fully geared to become actively involved in its drive towards this mission of brand development to help Sri Lanka prosper.

We as Sri Lankans need to focus on branding, entrepreneurship, and exports for our nation to reach economic development. Hence, we at SLIM are determined to drive and promote this mission. ■

**We as Sri Lankans need to focus on branding, entrepreneurship' and exports for our nation to reach economic development. Hence, we at SLIM are determined to drive and promote this mission.**

**Suranjith Swaris**  
President, Sri Lanka Institute of Marketing.



TASTE, GOODNESS AND PURPOSE

# Dilmah: driving resurgence in tea consumption

Dilhan C Fernando, CEO of Dilmah speaks about the journey of the brand and the manner in which it represents the vision and philosophy of its Founder, Merrill J Fernando.





Our business has three dimensions, each with very significant implications and each complementing the other to fulfill my father's vision and philosophy. Taste, Goodness, and Purpose each come with formidable challenges since they are uncompromising commitments to which we have stayed true since the birth of Dilmah and which are today uncommon to the point of rarity. When my father first conceived the idea of establishing his own brand, it was in response to the terrible commoditization, and compromise on quality that he saw in the tea category. Our commitment to taste therefore has very serious implications for our business since quality is not a strategic choice that we have opted for, but the foundation of our brand. We do not have the convenience therefore, of moving to low cost sources for tea as virtually every tea brand has done, nor the possibility of moving from high quality (and therefore expensive) Ceylon Tea to cheaper, multi-origin blended teas.

The same applies where the second dimension – Goodness – is concerned since natural antioxidant goodness in tea is connected to freshness, quality, and purity in tea. The third – Purpose – defines Dilmah in the same way as quality and goodness since we see no achievement in building a business that is purely commercial. We have a sincere commitment to integrating human welfare, conservation and restoration of the environment and the many allied humanitarian and ecological aspects connected with reduction of inequality, with care, dignity and quality of life for differently-abled children, youth, women and men as well as climate change adaptation, species conservation amongst others. Our business is therefore formed around



these dimensions which form the foundation of our brand and cannot be compromised in any way. As CEO, the responsibility I shoulder is to ensure that I honour these founding principles whilst stewarding the Dilmah tea business into the third generation. That is an incredible honour as it serves a strong and relevant purpose, but it is also the hardest task I have ever undertaken as it is a direction that goes against what every other brand in our category follows.

My goal is to always honour the principles of integrity and quality that have been my father's greatest strength, whilst adapting those values and attributes to a new generation and fresh challenges. This means that as we see a new generation of tea drinkers appreciating tea, we need to help them understand the luxury of nature's fingerprint in every tea and see beyond the wellness that they appreciate so readily. It also means that our humanitarian and environmental programmes evolve, focusing on issues like climate change adaptation, supporting small farmers in coping with a warming climate, helping youth with knowledge designed to empower them and ease the inequality we see in too many parts of the world.

My efforts will be aimed at reinforcing the legacy that my father has created and aligning those same founding principles with the preferences of a 21<sup>st</sup> century consumer.

Amongst the many things that my father taught my brother and I, the most significant is humility. When we returned with our degrees – his from the US and mine from the UK – my father was absolutely adamant in stating that neither degree meant anything in the real world and to truly harness the benefit of our education, we had to learn life lessons in "his university." That meant starting at the bottom and in my case it was in the factory. That was a simple but critically important principle that many forego today – that without understanding the task and having operational knowledge and experience of it, one



cannot hope to manage others in performing that role.

The discount culture that has corroded so many industries had commoditized tea to an extent, where even once great family brands had lost their way; signs that commoditization continues to a large extent. But there is light at the end of the tunnel, with generation X being well informed and demanding of quality, authenticity, valuing the role and commitment of the producer, appreciating that a genuine commitment to wellness, authenticity and sustainability cost more than the cheapest product on the shelf. I believe that it is the same founding principles of Dilmah – taste, goodness and purpose – that will endear our brand to generation X.

There is absolutely a resurgence in tea consumption. This is inspired by wellness and appreciation of the unique antioxidant potential in tea. Our focus is however beyond, on the influence of nature in crafting aroma, taste, texture, and character

in tea for there lies luxury. Wellness is the foundation of a resurgence in tea although there is so much more beyond.

Tea is more relevant today than ever before, since it has amazing functional relevance in the natural antioxidants that protect us from the impact of stress, from heart disease, stroke, dementia, cancers and so many other chronic illnesses and unpleasant aspects of 21<sup>st</sup> century life.

Beyond wellness though lies the influence of nature in crafting tea and the incredible variety that tea offers, which together offer the serenity that we need in our increasingly stressful lives. Tea has a combination of functional and sensory benefit that form the foundation of its appeal and relevance in the 21<sup>st</sup> century.



**Dilhan C Fernando**  
CEO  
Dilmah Ceylon Tea Company.



## Philip Kotler, modern marketing guru cites Dilmah Tea as an example of authenticity in his book.

Philip Kotler, Professor of International Marketing at the Kelloggs School of Management, considered the Father of Modern Marketing has included a six page reference to Dilmah Tea in his most recent book – *Asian Competitors, Marketing for Competitiveness in the Age of Digital Consumers* (World Scientific: 2019).

In a chapter on differentiation and the uniqueness that businesses can offer their target markets, Kotler refers to Dilmah as “An authentic local brand from Sri Lanka due to the perceivably lacking amongst other players. Starting from the Founder’s personal commitment, these in-built authenticities have eventually become the Company’s brand DNA.” The reference to Dilmah includes an overview of Dilmah Founder Merrill J Fernando’s personal story and adds that “the success of Dilmah as the choice of tea for consumers home and abroad cannot be separated from the authenticity that the brand stands for.”

Explaining the importance of a sincere commitment to authenticity and the fake experiences that many companies adopt today, Kotler emphasises the importance of organisations that are truthful, sincere and authentic – more socially and environmentally responsible, which believe and work towards their missions, visions and values.

Kotler lists ten attributes of Dilmah referring to these as the elements that seal the image of Dilmah as a “flag-bearer of authenticity” and refers to the ten attributes as “some of the authenticities that have made customers fall in love with and be loyal to Dilmah Tea.”

The attributes Kotler cites are – Pure Ceylon Tea, unblended tea, freshness, single origin tea, passionate tea maker, ethical business practice, traditional methods, finest quality, natural goodness, and pioneer in the tea industry.



He refers to the Founder’s commitment and concludes that “the sense of commitment in running Dilmah is not only passed down to his two children, but also inculcated in all the employees of the company. One way it is done is through a corporate culture, which bases itself on 12 unique principles... Dilmah’s 30 year journey has stood the test of time to its unwavering commitment to maintaining the brand DNA of the company.”

This partnership also roots from similar values on sustainability and integrity; exemplary during the 68<sup>th</sup> Dilmah School of Tea when Dilmah facilitated a tree planting project for the Hilton Group to plant Mahua trees (*Madhuca longifolia*) towards a national level wetland restoration and conservation initiative in the country’s capital, while contributing towards the Hilton ‘Travel with a Purpose Campaign.’

## Tea Inspiration for the 21<sup>st</sup> Century


Family Tea Company Dilmah was the outcome of its Founder's passionate belief in quality and purpose. Merrill J Fernando's emphasis on authenticity, taste, and ethics evolved into an innovative approach to tea, designed to share the pleasure and natural goodness in tea with a new generation of tea drinkers. Now the family of Teamakers are bringing their unique perspective on nature's healing herb to Thailand with Tea Inspiration for the 21<sup>st</sup> Century – also known as Ti21.

In 2015, Merrill and his sons, Dilhan and Malik partnered with chefs and mixologists around the world in successfully reimagining afternoon tea. The seven-year journey that ended with the Dilmah Real High Tea Challenge Global, took afternoon tea beyond the 18<sup>th</sup>-century tradition of scones and cucumber sandwiches, with greater appreciation of the terroir in fine tea, and the indulgent relationship that food and tea naturally have.



With Ti21, the passionate Teamakers are taking tea inspiration beyond afternoon tea and challenging chefs and mixologists globally to see the real potential for tea in the 21<sup>st</sup> Century.

Dilmah's Ti21 is a unique competition, which pushes the culinary and hospitality skills of contestants to the limit, in crafting tea experiences for morning, afternoon and evening. The contest judges include Chef Peter Kuruvita, Australian Restaurateur and Celebrity Chef, Tomek Malek – four time Roadhouse World Flair Bartending Champion and Tea Judge, Dilhan C Fernando, son of Dilmah Founder. The criteria requires participating teams to express tea across seven dimensions – cultural, personal, culinary, mixology, sustainability, tea of course, and harmony amongst all. Meanwhile, aspiring chefs and mixologists have the opportunity of exploring tea in gastronomy and mixology in the Ti21 – Next Gen challenge. Similarly, this competition has extended to tea lovers of all ages with Ti21 Aficionados, inspiring home cooks to explore tea in and with food, while Ti21 Junior encourages youngsters who enjoy cooking to display their skills, while having fun with tea.

Whilst maintaining uncompromising commitment to the founding principles of Taste, Goodness, and ethical Purpose, Dilmah has blazed a trail of innovation in tea, based on its founder's belief in the relevance of tea. Science has proven the unique natural antioxidant benefit in tea, whilst the Dilmah Family believe that beyond that extraordinary wellness lies a luxury that forms the soul of their tea innovation programme. 



**Whilst maintaining uncompromising commitment to the founding principles of Taste, Goodness and ethical Purpose, Dilmah has blazed a trail of innovation in tea, based on its founder's belief in the relevance of tea.**





## WELLNESS



# Spa Ceylon: taking Sri Lanka to the international market

“Spa Ceylon was a very conscious effort where Shiwantha and I sat down to create a brand that had the lengths to go international,” commented Shalin Balasuriya, Co-Founder/Director. He was speaking of the gradual process to build a brand based on Sri Lankan Ayurveda and how it went on to become one of the largest luxury spa brands in the international market.





### Doing the research

In the late '90s and early 2000s, Shalin Balasuriya and Shiwantha Dias, co-founders, began to study the market trends and consumer preferences in the international spa industry. The increasing interest in the green concept and the older sciences evident throughout the world led the duo to the resources available for Sri Lankan Ayurveda. "We realised that if we could present it in a way that would be meaningful to the modern consumer, and build a branding story around Sri Lanka making it authentic, that it would work. And that's how we started."

### Creating a memorable brand

During the '90s and the 2000s, at the height of the Civil War, the international perception of Sri Lanka encouraged the founders to name the company Spa Ceylon. "All the great things that came from our country still had the tag 'Ceylon'; from Ceylon Tea to Ceylon Sapphires to Ceylon Spices and so on. Additionally, with Ayurveda, the whole brand philosophy, and the type of branding we were building around it was something of history, that is now interpreted to the modern consumer. So the old name 'Ceylon' worked in giving it the origin," opined Balasuriya.

The Spa Ceylon packaging has a distinction due to its use of colour and vibrancy, which reflect the colours and culture of the island. Firmly rooted in its place of origin by the rich artworks comprising floral motifs, from the logo onwards, the packaging is based on the Sri Lankan heritage. The packaging inspired by history, art, and culture of the country has resulted in the creation of a brand that stands out from some of the biggest international brands in the world.

"Our branding is built around royalty, ancient royalty from Ceylon. Because the best version of Ayurveda was practised in the palaces, which had access to the best practitioners of Ayurvedic medicine, and the best ingredients. Our brand promise to our clients is that whenever anyone has a Spa Ceylon experience, whether it be

at home or be it in one of our locations, they feel that royal treatment,” commented Shalin Balasuriya, speaking on how the company curated a unique, outstanding, and an unforgettable brand.

### **Establishing a Brand Identity**

“When we expand internationally, we need to ensure that we not only arrive there but stand out as unique, because there are so many products in the international market. If you don’t stand out uniquely, you get lost in the crowd. So that authenticity of the brand, right down from ingredient to packaging, helps us stand out in places we go,” Shalin Balasuriya disclosed.

Thus, from the ingredients used in the products, to the science deeply rooted in the culture, the colours, the art, and the customer service that bring the warmth of the Sri Lankan

**From the ingredients used in the products, to the science deeply rooted in the culture, the colours, the art, and the customer service that bring the warmth of the Sri Lankan people, the Sri Lankan identity can be discovered in every facet of the brand.**

people, the Sri Lankan identity can be discovered in every facet of the brand.

Exclusivity is yet another strategy that attracts consumers. Spa Ceylon is only available at branded Spa Ceylon locations. A consumer does not visit Spa Ceylon simply to shop or to receive spa treatments; they expect to indulge in an experience. “We wanted to be a brand that creates an experience. So when you step into a Spa Ceylon store, it’s a multisensory experience; we’ve worked hard at it. From the sound – the music is specially designed Spa Ceylon music. The aromas you get when you step into any outlet is very identifiable, which is Spa Ceylon. Everything you see, from the furniture to the beautiful designs on the ceiling to the light fixtures, to every little cupboard that stores products, is designed and made for Spa Ceylon so that they are unique. And obviously, the touch and feel of Spa Ceylon, with our products and so on. And then even down to the taste: we have arranged tea and infusions so everything you taste is Spa Ceylon. It’s an absolute multisensory immersive experience that we give at every store,” revealed Shalin Balasuriya on how the brand has created a distinct identity.

### **Staying relevant**

As the brand evolves, the focus has also been directed towards wellness and the wellness means of a modern consumer. Wellness is becoming one of the most sought after industries globally, where you see the concept in every single industry whether it is human resource, movie industry, the exercise fitness industry, or whether it is food, becoming a part of people’s lives and their needs.

Thus, Spa Ceylon has begun catering to the wellness needs of the modern consumer with aspects like sleep, stress, and detox, offering solutions through the science of Ayurveda. The solutions are offered through the science of Ayurveda but delivered in a way that is appealing and very user-friendly to a modern consumer.

As a leading wellness brand in the region, Spa Ceylon also conducts

workshops that promote wellness. Speaking of the consumer perception, Balasuriya said, “The reason Spa Ceylon products work, and work so well is that every ingredient that goes in our products is in there for a reason and it is planned by Ayurvedic doctors. It is not merely for aromatherapy or fragrance. They are ingredients that interact with your senses and body to give you value: whether it is sleep or de-stress or detox, we are very committed to the wellness of our consumers and our country and the world in general. We are continuously conducting a lot of workshops with corporates, with consumers, and with people who want to immerse in wellness by giving these Ayurvedic solutions to modern wellness needs”.

### **Technology and branding**

“Although we are a brand that is working with a very old science, what





a lot of people do not realise about Ayurveda is that though Ayurveda is a science with a 5,000-year history, it is still a dynamic science. It is still evolving, and there is still research being done. In that, while they are using the knowledge from ancient Ayurveda that has been passed down, manufacturers are using modern techniques to get the best of the herbs, and looking at new plants.

"Then, when we create products, we bring in the latest technology to see how we can make the best and most efficient products to the consumer. Digital marketing has become a huge part of what we do. Apart from that, general data about our customers, how they shop, how people move within a store, how we place racks in certain stores – we even track every shelf to see the movement of reach. So we gather a lot of data to try and understand customers the best we

can so that we could get to solving their needs as efficiently as possible," said Balasuriya, speaking on how the company utilises modern technologies in taking the brand forward.

### Maintaining loyalty

Understanding the customer plays a considerable role in maintaining customer loyalty. In this age, there is two-way communication between the brand and the customer. Consumers can communicate with a brand and share their opinions about the brand and its products.

"Today, maintaining loyalty is subject to several factors. You are not merely competing with products manufactured within the country; you are competing with international brands. Thus, creating customer loyalty is important," Balasuriya explained. "The key to creating loyalty is understanding your customer and

ensuring you are giving them value, to show that the business has a purpose in a sustainable manner, and in a way that customers see value to their lives. Present day customers want far more than products and services. With a brand, the customer wants to know about your corporate policies, social conscience, work ethics, and the brand's view on global issues. It is essential to be responsible as a brand, you have to be far more authentic and the key to all this is understanding the world you live in, and also on really understanding your customers as individuals."

At present, Spa Ceylon is available in 20 countries across 92 locations, and each of those locations are branded stores and spas. Owing to its international expansion, the brand is one of the largest luxury Ayurveda players in the world and is growing rapidly. "The focus is on European expansion. We are looking forward to opening our 100<sup>th</sup> store internationally by the end of this year, hopefully. Apart from that, more expansions will happen next year in Europe and Asia as well. We are looking at some of the big markets like China. Towards 2021, we will be looking at America as well, because there is already a presence for us there. It is another big market that is showing a lot of potential.

"We are very happy with our progress. Spa Ceylon has established itself as an international brand, and it has managed to do so in quite a short period. We believe that the fact that we are an authentic brand that delivers real value to consumers is the reason it is working, and we continue to learn, adjust, and work towards creating the same experience in every market we reach," said Shalin Balasuriya. ■



**Shalin Balasuriya**  
Co-Founder/Director,  
Spa Ceylon

WORLD EXPO 2020 DUBAI



EXPO  
2020  
DUBAI  
UAE



OFFICIAL PARTICIPANT – SRI LANKA

# ‘Connecting minds, Creating the future’

With more than 190 participating countries and over 15 million visitors from around the world, Expo 2020 Dubai themed ‘Connecting minds, creating the future’ is a much anticipated event that will provide the space to create, collaborate and innovate for a sustainable tomorrow.



Opposite page: Expo 2020 Dubai is a premium brand, which is recognised around the world. Thus, brand guidelines have been clearly articulated. This page, top left: Sri Lanka Pavilion at World Expo 2020 Dubai. Top right and centre: Opportunity district.

**S**ri Lanka will have its dedicated pavilion at the World Expo 2020 Dubai, which will begin its 173-day stint on October 20, 2020, to April 10, 2021.

Set to be one of the most significant events ever to be staged in the Middle East, the exhibition is one of the longest in terms of duration, and largest international events to take place. Held once every five years and lasting for six months, the objective is to provide a global forum for innovation and creativity, industry and commerce, business opportunities and alliances, against a backdrop of global cooperation.

The Expo will be held in a land area of 438 hectares within the proximity of Dubai, and Sri Lanka's pavilion will be organized with a Public-Private Partnership model under the theme of 'Island of Ingenuity'. The pavilion design has been developed by a student team

of University of Moratuwa under the theme of 'water'.

Sri Lanka, led by the Export Development Board, will use this as a gateway to showcase the country's main sectors, as highlighted in the National Export Strategy (NES) under the theme of 'Island of Ingenuity.' Other events on the side-lines of the exhibition will be brought together to relate with the theme of 'Water.'

Given the six-month duration of this exhibition, the Expo has been described as a golden opportunity for Sri Lanka to enhance the country's image, while using it as a platform to present what the country has to offer to the world in terms of quality and

## **Sri Lanka will have its dedicated pavilion at the World Expo 2020 Dubai, which will begin its 173-day stint on October 20, 2020, to April 10, 2021.**

innovation. It will also be a stepping stone for Sri Lanka to connect with the Gulf Region. In terms of opportunities, the country's export product sectors will be able to obtain new technology, while more importantly, the Expo 2020 will provide many learning opportunities, and generate knowledge that will benefit many areas. Sri Lanka's pavilion will undoubtedly be a window for the world to look closely into and thereby create international interest, which would eventually translate into participation in the country's development in trade, tourism, and investment.

As always, Sri Lanka will take advantage of its more than 2000 years



of heritage, transformed into the modern-day setting. Technology and creativity that was part of a monarchical history, in harmony with religion, will be highlighted to showcase that Sri Lanka was indeed steeped in ingenuity and innovation. This attitude and determination continues to thrive in the country's people even today, with the added advantage of having citizens educated and skilled in many areas of work. Thus, in keeping with this ethos of always being a nation with initiative and inventiveness, the pavilion representing Sri Lanka will feature a wide variety of product sectors, including wellness tourism, apparel, spices and concentrates, Ceylon Tea, electronic products, coconut and coconut based products,

rubber products, construction, gems and jewelry, ICT/BPM, and more. With so many trade sectors being given the opportunity to showcase what they have to offer to the world, Expo 2020 will allow many businesses and industries in Sri Lanka to reap benefits in the future.

Adding flair and exposure to this international event, Kumar Sangakkara and Mahela Jayawardena will be Sri Lanka's Brand Ambassadors for Expo 2020 Dubai. The two cricketers have captained the National Team successfully, and their leadership has always had a positive impact on the country. Given that image, the duo coming on board as ambassadors for the event will turn the spotlight on Sri Lanka at an event of this



The extensive World Expo 2020 Dubai site.

**Sri Lanka will take advantage of its more than 2000 years of heritage, transformed into the modern-day setting. Technology and creativity that was part of a monarchical history, in harmony with religion, will be highlighted to showcase that Sri Lanka was indeed steeped in ingenuity and innovation.**

significance, given the global attention the event will attract.

Peter Kuruwita is also a brand ambassador who works on promoting the Sri Lankan cuisine. He elaborated, "Sri Lanka is an amazing country full of diversity and its people are wonderful. Its cuisine is renowned worldwide and is gaining more attention for being one of the trending cuisines in the world."

Kumar Sangakkara expressed his excitement to be part of this global event that will showcase the best the country has to offer to the world. He also commented that the 'Water' theme was indeed fitting. "As we are an island nation surrounded by water, and our people of yore had built their lives upon the richness of the hydraulic civilization of rivers that nurtured the land with abundance, a character that remains with the people as reflected in our commitment to development."

Describing Expo 2020 Dubai as an excellent opportunity for Sri Lanka in terms of generating knowledge about the country in order to attract trade, tourists, and FDI, Mahela Jayawardena invited the international community to learn first-hand the opportunities Sri Lanka has to offer as an upper middle-income country, together with its improved infrastructure, logistics, and a highly-skilled workforce. 



Sri Lankan Brand Ambassador – Kumar Sangakkara, former Sri Lankan Team Captain and cricketer.



Sri Lankan Brand Ambassador – Mahela Jayawardena, former Sri Lankan Team Captain and cricketer.



Sri Lankan Brand Ambassador – Peter Kuruwita, Chef, Restaurateur, TV host, Author, Industry speaker and Restaurant Consultant.



## IDENTITY

# Ceylon Spices: brand launch

Sri Lanka has been an exporter of spices to the global market since ancient times, and its recorded history dates back to the 13<sup>th</sup> century. Known for the unique flavours and remarkable quality, the market for Sri Lankan spices is growing internationally. Identifying the importance of having a brand for Sri Lankan spices, the Sri Lanka Export Development Board launched 'Ceylon Spices,' which is the unique country-of-origin trademark.





The need was recognised for an all-encompassing brand signifying the spice exports that are sourced and processed in Sri Lanka, as a certification of the superior combination of flavour and quality. The National Export Strategy (NES) established that Spices and Concentrates is a priority sector for export promotion and thus, the objective to 'become globally recognised as an innovative player in the value-added spice market segment' is now underway.

In realising this objective, the Export Development Board (EDB) launched a country-of-origin trademark for Sri Lankan spices encompassing Cinnamon, Pepper, Clove, Nutmeg and Mace, and Cardamom that are of true Sri Lankan origin.

The EDB, in collaboration with Interbrand Sri Lanka, conceptualized and developed the master brand for Ceylon Spices after a thorough market research and analysis that yielded way to the brand name 'Ceylon Spices' with the tagline 'Born in Sri Lanka.'

### **'Ceylon Spices' Launch in Sri Lanka**

The launch was held in the presence of His Excellency Jörn Rhode, German Ambassador to Sri Lanka.

The EDB members and all stakeholders worked together to develop the unique brand. It is up to the producers and exporters of the country to make use of the hard work that was behind this brand, and to take the brand further to the global arena, making a name for Sri Lanka as the country of origin.

The main beneficiaries of hard work of Sri Lankan producers of spices had been the large-scale industries in affluent countries. Our stakeholders at the bottom of the supply chain have always had to face the fluctuating price points and also the vagaries of the current global warming. That is why we need an identity for ourselves, a brand that would give us value, to exist, grow, and sustain as a significant exporter in the trade of spices.

Extensive primary and secondary research have been carried out, involving a worldwide quantitative and qualitative research. Upon the analysis of the research results, the brand


architecture has been developed to express the relationship between Ceylon Cinnamon, Ceylon Pepper and other spices within the export portfolio. This identity is expected to connect the face of the brand to the larger ideas of quality and reliability captured in the brand definition model.

The Masterbrand architecture places all Sri Lankan spices that meet the required standards under one trademarked name – 'Ceylon Spices' – which maximizes brand awareness by focusing brand marketing and promotion on a single brand strategy and image. The 'Ceylon Spices' Masterbrand has a distinct position, personality, promise, and a visual and verbal system. All qualifying spices will be using the same names, colours and 'Born in Sri Lanka' tagline, which exemplifies the country of origin.

**The 'Ceylon Spices' Masterbrand has a distinct position, personality, promise, and a visual and verbal system.**

### **Global Launch of 'Ceylon Spices' brand**

The country-of-origin brand was launched internationally at 'Anuga,' the world's largest food and beverage exhibition held in Cologne, Germany. 'Ceylon Spices' branding is expected to highlight the intrinsic characteristics associated with the Sri Lankan spices and to differentiate them from products from other origins. The world-wide availability and distribution of products under the name Ceylon that have originated elsewhere, could be challenged by the exclusive branding by the EDB, 'Ceylon Spices,' achieving a comparative advantage in the international market.

Sri Lankan stakeholders in the spice sector are invited to use this Masterbrand to maintain the brand image and marketing consistency for Sri Lankan spices, creating a specific and positive attitude in international customers through unique messaging that remains the same across all channels, while keeping up a consistent and reliable stream of content. 

GO DEEPER

# Driving Sri Lankan innovation and entrepreneurship



**Innovation and entrepreneurship are vital aspects of a successful economy, contributing to driving economic growth and productivity, whilst generating new livelihood and career opportunities.**

Entrepreneurs are in essence innovators; individuals who identify a consumer need or expectation and convert an existing idea or invention to a service or product that offers value. Thus, the two concepts are often interconnected. Innovative entrepreneurs can often have a domino effect in the industry, giving rise to related products, services, and organisations. These, in turn, would provide support to the entrepreneur and further enable the national economic growth.

In Sri Lanka, innovative entrepreneurs have successfully established a presence in the market, creating niche products or services in different segments, from

digital applications to retail products. Innovation may even transform traditional arts and crafts – creating new products that are inspired by the heritage and culture of the island.

The Sri Lanka Export Development Board (EDB) offers guidance and support to innovative entrepreneurs to enter and perform in international markets with their innovative product, service or solution. As the leading state body for the promotion and development of Sri Lankan Exports, the EDB supports, promotes and encourages the endeavours of entrepreneurs, who contribute to the economy of Sri Lanka.

In the next issue of Business Lanka, we will take an in-depth look into innovation and entrepreneurship. ■



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**Sri Lanka Export Development Board**



