

# Guidelines on Accounting Firms' Brand-Building

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## Chapter I General Principles

**Article 1** The Guidelines on Accounting Firms' Brand-Building is formulated to guide accounting firms (hereinafter referred to as firms) to strengthen brand-building, enhance brand value and improve brand management.

**Article 2** Brands refer to the overall images deriving from the combined factors of internal management, professional service quality, service capabilities, visual symbols and customer evaluation – in a reflection of the professionalism and commitment of the firms.

**Article 3** In building brands, firms should carry out core socialist values, focus on the mission of serving national construction and the priority of building professional integrity, follow the ways of building brands for professional services agencies, and deliver the professional values of accountancy profession. In this process, firms should define the goals, improve mechanisms and make long-term efforts in routine work, based on their own conditions.

**Article 4** Brand-building of firms should focus on the following:

Brand-building and professional integrity building should be integrated. Integrity is the cornerstone of the accountancy profession, so the core of brand-building is to uphold and carry forward the spirit of integrity, which must be firmly adhered to throughout the whole process of brand-building.

Brand-building and partnership culture building should be integrated. Firms are the service agencies with professional responsibilities. "Cooperation among the partners" and "cooperation on the basis of knowledge" are the foundations of firms' governance and brand-building. A partnership culture should be advocated and a partnership philosophy should be practiced throughout the process of brand-building.

Brand-building and implementation of the development strategies should be integrated. Brand-building is a long-term task, which requires clear objectives, scientific orientation and continuous practice. Brand-building should be prioritized as a strategic task of firms and should be designed, arranged and implemented along with firms' strategies of becoming bigger and more competitive, specialized and internationalized.

Brand-building and talent-training should be integrated. As firms are staffed by CPAs, talents are core resources of firms and important carriers of the brands. Brand awareness and brand value demonstration should be an important element of professional talent-training.

**Article 5** Brand-building is a systematic project that requires organizational support. Qualified firms, especially large ones, should set up specific units to guide the work of brand-building.

Brand-building should involve all staff. Brand awareness among employees should be strengthened; standards of brand behaviors should be established; training on brand knowledge should be enhanced; and employees' behaviors related to brand should be regulated.

Brand-building should also involve related parties, including, but not limited to, partners, employees, customers, partner companies, regulators, media and the public.

## **Chapter II Brand Vision and Brand Strategy**

### **Section I Brand Vision**

**Article 6** Brand vision is the blueprint of brand-building that clearly defines ultimate goals.

**Article 7** Firms should focus on the following work to develop their brand visions:

(1) Defining brand-building objectives, including the implication, target customers, and positioning of the brand.

(2) Establishing brand images, and identifying the correlation between brands and customers as well as the brand images among customers.

(3) Developing a brand promise to seek the best match between service quality and service commitment, and between service practices and target customers.

(4) Establishing customer models to clearly outline the cognitive patterns and habits of target customers in their selection of professional services and firms.

(5) Building the brand culture. Brand awareness should be enhanced among all staff and brand behaviors should be optimized so that the brand can demonstrate firms' professionalism culture, integrity and partnership culture.

### **Section II Brand Strategy**

**Article 8** Firms should develop a brand strategy on the basis of their brand vision and incorporate it into the overall development strategy as an integral part to achieve systemic planning and unified implementation.

**Article 9** Firms should develop a brand strategy and manage their brands as valuable assets. During this process, they should consider the aspects such as related brand parties, brand investment plans, brand communication mechanisms, brand relationship, brand communication management, brand performance evaluation, ongoing brand improvement and brand crisis management.

Brands are the important assets to increase firms' values and generate the expected benefits, including brand popularity, brand reputation, brand loyalty and brand association as well as other forms of assets attached to the brands.

**Article 10** Firms should develop their brand strategies on the basis of internal and external factors. Internal factors include the overall strategy, institutional governance, regulation and systems, professional qualifications, human resources and historical heritage. External factors include national and regional economic development strategies; laws, regulations and policies; market competition; and customer evaluation and expectation.

### **Chapter III Brand Positioning, Design and Communications**

#### **Section I Brand Positioning**

**Article 11** Brand positioning is the foundation for firms to build brands and the key factor to achieve the goals of brand-building. In brand positioning, firms should fully understand their own advantages and the market environment. Through market segmentation, target market selection and market positioning, firms should develop their overall brand images that can meet the needs of target customers and distinguish themselves from other firms.

In brand positioning, firms also need to consider the brand perception of related parties. Brand perception is a result of all understanding of related parties, especially the customers, including special impressions and positions in the minds of related parties and their choices and trust based on these perceptions.

**Article 12** Brand positioning should comply with the national industrial policies and have the capabilities and potentials to meet the needs of target customers. Firms should effectively identify their own competitive advantages to develop and implement a complete set of governance and management improvement plans, technology development plans and culture-building measures.

**Article 13** Firms can define their brand positions on the basis of target customers, service regions, competitive edges and service differentiation.

(1) Positioning of target customers refers to main service targets comprising of one or several customer groups.

(2) Positioning of service region refers to the customer service scope at city, regional, national or international level.

(3) Positioning of competitive edges refers to the strategic choice of the market position among market leaders, market followers, market challengers and market supplements.

(4) Positioning of service differentiation refers to the effort to identify key service areas, service lines and service categories to develop their own professional advantages

## **Section II Brand Design**

**Article 14** Brand design covers the design of brand connotation and brand image.

Brand connotation refers to the value pursuit, business philosophy, professional ethics, professionalism and service quality reflected in the brands.

Brand image refers to the visual representation of information communicated by external standards of brand symbols, standard words, standard colors, standard symbolic figures, standard office equipment and standard dress code.

**Article 15** Brand symbols are the primary factor to display brand images, including brand names and logos.

Brand logos are the imagic expressions of brand connotations. Standard and unified visual symbols with simple models and clear meaning can be used to communicate the brand connotations to customers and other related parties.

**Article 16** Design of brand symbols can focus on the following principles:

(1) Communicability. Brand symbols should be clear and concise for easy identification and memory through a set of distinctive image languages and patterns that are easy to understand and recognize.

(2) Relevance. Brand names should be relevant to the firms' names and can follow the abbreviations of firms' names. Brand names and logos should be consistent with each other.

(3) Connotation. Brand symbols should reflect the internal spirit, values and cultural personalities of firms and leave the room for imagination.

(4) Maintainability. Firms should pay attention to the registration of trademarks and patents and ensure the brands under a valid legal protection state.

### **Section III Brand Communications**

**Article 17** Brand communications mean that firms use various communicational and promotional means to continuously convey brand connotations and brand images to customers and related parties in order to increase brand popularity, reputation and loyalty.

**Article 18** Brand communications should focus on exploring the possible contact points between brands and customers and related parties, throughout the whole process of initial contact with the brands, service delivery, trust building and relationship maintenance.

**Article 19** Firms can choose appropriate and effective brand communications strategies based on their own conditions, in terms of image publicity, public relations, event communications, advertisement, terminal communications and word-of-mouth communications.

**Article 20** Brand communications can take a variety of forms, including holding professional seminars and forums, publishing research reports, publishing professional works, participating in the development and interpretation of standards, supporting social welfare, participating in the administration and discussion of state affairs, supporting academic research, campus recruitment, participating in the authoritative ranking at home and abroad, participating in the work of professional organizations, as well as setting up new media platforms.

**Article 21** For brand communications, firms should follow the professional ethics to be objective, true and proper to prevent the professional images from damages. They should not exaggerate on their services, qualifications or experience; neither should they launch smear campaigns on other firms and CPAs.

### **Chapter IV Brand Maintenance and Crisis Management**

#### **Section I Brand Maintenance**

**Article 22** Brand maintenance refers to a range of management activities for firms to maintain brand images, keep brand position in the market and enhance brand values on the basis of changed conditions.

**Article 23** Firms should attach importance to self-maintenance of brands and resort to legal means to prevent the brands from damages and maintain brand images and positions.

(1) Self-maintenance of brands. During the brand design, communications, internal management and specific operations, firms should enhance service quality, make technical innovations and protect brand secrets.

(2) Legal protection of brands. Firms should use legal means to maintain brands. These means include application and registration of intellectual properties, such as names, trademarks, patents, publications and proprietary services and products.

## **Section II Brand Crisis Management**

**Article 24** Brand crisis refers to the adverse impacts on and declined confidence in brand images, which may evolve into a crisis, as a result of sudden changes in the factors related to firms, customers, competitors as well as poor brand management. Brand crisis is featured by sudden breakout, serious damages, strong shocks and wide media attention.

**Article 25** Firms should integrate brand crisis management into their emergency response mechanisms. They should develop crisis management plans with clear crisis management principles and approaches.

**Article 26** When a brand crisis emerges, firms should respond swiftly and orderly in order to effectively solve the crisis. Firms should also learn from the brand crisis to prevent the recurrence of crises and effectively maintain brand images on an ongoing basis.

## **Chapter V Brand Monitoring and Evaluation**

### **Section I Brand Monitoring**

**Article 27** Firms should establish a monitoring system for its brands and implement the system on an ongoing basis. The system should include tracking, analysis, evaluation and improvement of the brands, based on the following purposes:

(1) Checking whether the brand building achieves set objectives;

(2) Evaluating the effectiveness of brand management;

(3) Evaluating brand building capacities and performance;

(4) Adjusting and improving brand management system.

**Article 28** Firms should identify and monitor key performance indicators that have implications on brand images. Those indicators will form the basis for adjusting brand strategies and improving brand building. The key performance indicators include:

- (1) Share in the target market;
- (2) Investment in brand communications and the communication efficiency;
- (3) Improvement of professional values and service quality;
- (4) Brand popularity, reputation and loyalty.

## **Section II Brand Evaluation**

**Article 29** Firms can evaluate their brands from the perspectives of brand competency, quality, reputation, culture and influence.

- (1) Brand competency refers to the capabilities of brand planning, brand management and brand protection.
- (2) Brand quality refers to the service qualification, service quality and brand values.
- (3) Brand reputation refers to the recognition of related parties on brand popularity, reputation and loyalty.
- (4) Brand culture is reflected by professionalism and employee behaviors, habits and interactions with customers.
- (5) Brand influence can be judged from firms' market position in terms of their scales and capabilities, market share, fee levels, level of participation in industrial affairs, level of technological applications in the profession, influence of their management improvement on the profession, changes of service regions and degree of brand internationalization.

**Article 30** Brand evaluation can be conducted by the firms on their own or by a third-party evaluation agency.

(CICPA organized translation of the Guidelines into English. The Chinese text is the official version and this English text is for reference only.)