

# Global branding

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The researches in the area of global branding suggest that each country is unique and requires detailed approach when a new global strategy is developed. Market globalization pushes the companies to developing global standardized branding programs. Global branding and global advertising must make the product successful on the international market. In order to fulfill this task, it is necessary to review the current branding practices, research results, and to determine whether global standardized branding approaches can successfully promote a product onto the global markets.

When the differences of marketing environments are being discussed, it becomes clear that each market is unique and requires a unique approach. However, globalization processes have led the researchers to assume that they could invent a concept of global marketing, i. e. all products would be sold all over the world in essentially the same way. In general, global branding suggests that standardized marketing approaches are applied to all markets internationally.

The debate between the importance and the results of global and localized branding has been initiated years ago, but the idea of global marketing was popularized by Professor Theodore Levitt, who says the worldwide marketplace has become homogenized and consumer's basic needs, wants, and expectations transcend geographic, national, and cultural boundaries. Levitt's vision of total worldwide standardization is global marketing at the extreme. He argues that, thanks to cheap air travel and new telecommunication technology, consumers the world over are thinking – and shopping – increasingly alike.

According to Levitt, the New Republic of Technology homogenizes world tastes, wants, and possibilities into global marketing proportions, which allows for world standardized products. Not everyone agrees with Levitt's global marketing theory, particularly with respect to branding. Many argue that products and branding messages must be designed or at least adapted to meet the differing needs of consumers in different countries. I will consider the arguments for and against global marketing and branding, as well as my position. Pro's and con's Advantages of global branding

It is difficult to deny that global branding is connected with numerous advantages: - economy of scale in production and distribution. " The globalization strategy still seems the most desirable strategy to follow, since it entails the highly desired financial advantages that corporations seek as they grow large (Schroif & Arnold); - lower marketing and advertising costs as a result of planning and control; - lower advertising production costs; - abilities to exploit good ideas on a worldwide basis; - a consistent international brand / company image;

- simplification of coordination and control of marketing and promotional programs. Problems with global branding Global branding generates significant marketing limitations and is connected with numerous problems. Opponents of the standardized global approach argue that very few products lend themselves to global advertising. Differences in culture, market, and economic development; consumer needs and usage patterns; media availability; and legal restrictions make it extremely difficult to develop an effective universal approach to marketing and advertising.

Advertising may be particularly difficult to standardize because of cultural differences in circumstances, language, tradition, value, belief, lifestyles, music, and so on. More over, some experts argue that cultures around the world are becoming more diverse, not less so. Thus, advertising' s job of information and persuading consumers and moving them toward using a particular brand can be done only within a given culture. Consumer usage patterns and perceptions of a product may vary from one country to another, so advertisers must adjust their marketing and advertising approaches to different problems they may face in different markets.

Schroif and Arnold argue that “ the localization strategy is designed for brands with a strong local heritage and products with a very specific ingredient or known local origin, mainly addressing a specific local consumer need”. They imply that localization means marketing different brands and different products. Localization vs. globalization means marketing the same product with different brand characteristics to suit the cultural and consumer needs of the local markets.

A common view is in that localization starts where one needs to adjust the brand name (or even the product's look) to fit the cultural, consumer, regulatory and economic needs of local markets. “ The first and foremost element that needs to be taken into consideration when creating a global brand is the name and the related wordmark, or symbol, that will be used to represent the company, product, or service throughout the world” (5, p. 41). Brand name is the first element which draws consumer attention. Global branding strategy is primarily aimed at developing a unique recognizable product name which would suit all local markets.

Schroif and Arnold state that “ the globalization strategy still seems the most desirable strategy to follow, when [...] the product would be put to market under the same brand name”. However, global branding is directly connected with linguistic peculiarities of localized markets, and we can hardly agree with the idea that one language and one brand name can fit all. “ Names not only are a part of speech but also, similar to most linguistically communicated concepts, are represented in writing. Brand-name translations therefore require a consideration of the writing systems of the languages involved” (6, p.

214). This is why the position of global branding versus local markets remains an issue when we need to develop a sound branding strategy. Even the well-known trademarks similar to Coca-Cola faced substantial difficulties in Asian markets. In the discussion of global branding, one usually means English brand names. On entering Asian markets (Chinese markets, in particular), a successful English brand name may remain unnoticed and may initially cause the failure of a well developed branding and advertising strategy. “ The U. S.

brands enjoy success in the Chinese market due in large part to their well-translated meaning. [...] Coca-Cola took 11 years to make a profit, in part due to a poorly chosen brand name, when it entered in China in 1979” (2, p. 101). Although global branding is connected with numerous advantages, one should also take into account local market peculiarities to fit the goal of global branding to specific needs of local consumers. Global advertising is initially aimed at decreasing the costs of branding strategies. Globalization, though, produces dubious effects.

“ This is especially true in the era of globalization, which is characterized by intense interactions and negotiations between peoples, cultures, and ideas, and by the opposing trends in homogenization and differentiation” (3, p. 308). The researchers fail to deny the important diversity and differentiation trends among various local consumers. “ The impact of globalization on local markets goes in two directions. On the one hand, it gives rise to a global consumer culture. [...] On the other hand, globalization brings to the foreground the sharp contradictions between the global economy and local context” (3, p.

308). In the light of such bright contradictions, it is not clear why marketing professionals keep defending standardized approaches in branding. Recent researches uniformly suggest that global branding needs to be combined with localized approaches. There are the two essential problematic aspects of global branding. First, there is no guarantee that globalization impacts consumer tastes, interests, and preferences. “ Most globalization has taken place at production level” (4, p. 320). Globalization of consumer preferences has not yet taken place, and global consumer tastes have not yet been globalized.

Although it is difficult to adjust global advertising needs to specific local needs of separate consumer groups, it is critical for the success of the whole global branding strategy. Zhang and Schmitt express a different viewpoint, implying the critical role of brand name localization: “ Names not only are a part of speech, but also, similar to most linguistically communicated concepts, are represented in writing. Brand-name translations therefore

require a consideration of the writing system of the languages involved” (6, p. 314).

However, global branding can potentially overcome these problems by emphasizing universal visual images without any incorporation of language signs. Second, localized branding implies that one product is marketed in different ways to suit the regulatory needs of local advertising laws. Not only translation matters; one should not forget about the importance of advertising regulation in local markets. Globalization has not impacted local regulatory contexts. Localized branding is critical for the success of the product, because advertising regulation all over the world is extremely various and specific.

The market has not yet produced any single advertising regulation which would fit all markets internationally. Globalized branding strategies are more cost-effective, but it is difficult not to recognize the peculiarities of local regulatory environments. Even when Schroif and Arnold defend the usefulness of globalized approaches, they have to admit that “ this strategy can be successfully implemented only when all persuasive elements of the branded products have been carefully aligned and agreed with consumers around the globe”.

It has not yet been possible to produce a product which would align all persuasive elements. Globalization has certainly reached the production levels of the world’s economy, but it is still far from standardizing the consumer cultural preferences. As a result, it will hardly be possible to eliminate the notion of localized branding from marketing theory and practice in the nearest time. To ensure the success of a product, we will

need to incorporate certain localized instruments into global branding strategy. My position

Although global branding remains for many as an impossible task, some products can still suit the universal needs of global consumers. These can be - brands which follow visual appeal and are adapted to it. Visual appeal will help avoid the problems translating brands into dozens of languages; - sex and wealth can serve the universal appeals, and brands can be promoted with image campaigns which play for these universal appeals; - products can serve universal tastes, needs, consumer interests and values. Global branding can overcome the already discussed barriers.

Those who speak about global standardized branding, appeal to the importance of globalization. Globalization promotes interconnectedness of cultural ideas and consumer preferences (1, p. 76). Schroif and Arnold are correct when they state that products with profound heritage require localized approaches, but global strategies are rarely applied to this type of products. Spanish toiletry brand La Toja cannot be successful if it is marketed globally. Simultaneously, there is a vast area of examples for the brands which appeal to global needs and interests of consumers (e. g. Coca-Cola and Nike).

To combine global scope with localized approaches is a challenge, but we can meet it. It is critical that in our global approach we consider local peculiarities to merge them into one global branding strategy.

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