IS BRAND EVERYTHING? ISSUES AND CHALLENGES OF BRANDING IN GLOBAL MARKET

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ABSTRACT

Today is an era of globalization. The globalized markets for homogeneous products and services have emerged. Marketers now realize that there is a global need to standardize the products, packaging, and communication to attain a least-common denominator positioning that would be successful across nations. However, the problem faced by the brand managers is how to implement the strategies that can release the full potential of their brand in and across multiple markets at a given time. Multinational corporations must be receptive to the different markets they serve, including language and cultural requirements. They must empower local marketing teams and agencies to "translate" corporate branding for the local audience. Globalization and technology has gifted the ability to create logos and other proprietary brand images that has certainly increased the efficiency and lowered the cost of reproducing and distributing branded materials. But at the same time, this ease of sharing, along with widely available graphics applications, make it just as easy for anyone with a computer to alter logo and brand files. It can be a difficult balancing act. But, they need to manage this process so the brand isn't diluted.
Key Words:- Brand, Brand management, Globalization, Issues, Challenges in Global Branding

1.INTRODUCTION

The art of marketing is largely brand building. If not a brand, it will be viewed as a commodity: -
Philip Kotler The importance of a brand is not just limited; it involves managing, protecting and rebuilding it every time. Brands need special attention to the features that are expresses a brand, such as company logo and colors. Maintaining uniformity in these visual indicators is essential for creating a strong brand. And it's more complex in today's era, given that brand images now emerge in different ways, from print media to television to the internet media. We know that brand at the end is a mirror image of the company, what assurance it gives to its customers, companies must comply with it to strengthen the brand's identity. However, while speaking of brands we usually refer to its particular feature like name or logo or symbol. But in brand management, we talk of the system as a whole, including the inbuilt features of products and services that are acknowledged by name and other authorized symbols. Today is an era of globalized markets. The globalization of markets for homogeneous products and services has evolved. Marketers understand that there is a global need to homogenize products, packaging, and communication to attain a least-common denominator positioning that would be successful across nations. As a result of this revolution in marketing and branding the global managers have gone to craft mix approach. They attempted for worldwide actions in different areas like technology, production, and organization while specific product features, communications, distribution, and selling practices were tailored to local consumer requirements. These "glocal" approaches have played dominant role in marketing ever since. However it is difficult for the global brands to escape notice, in the minds of consumers global brands have never been more prominent, whereas most of global corporations have not realized outlook of people for them is different than they have for other firms. Since their commonality and popularity, global brands are seen as leading and influential companies that are competent of doing big things.

2.BRIEF HISTORY OF BRANDS

Brands have a long history. They are not something that was created during the process of industrialization. They were embedded much deeper in history than that. A few historical examples of branding can be seen in markings made on clay pots from earliest Greece and Rome. Laws were made in Rome to distinguish different potters' marks; but problems of duplicating the works of well-known makers arose. Pottery makers' reputation and their livelihood were at risk. Brands and the practice of distinguishing a product from others in the market become apparent (Radikaali, Malmelin & Hakala, 2008). The concept of brand loyalty was also seen during that time, where people demanded the clay pots made by a specific craftsman. Why did they want to buy those particular craftsmen's pots? Since they identified the initials, or the brand, and knew that they were of improved quality. Brands have become an identifiable

device for companies only in the recent future. Formally companies started investing into their intangible assets, such as brand in the 1870's, when laws on trade marking were changed, so that companies could legally protect their brands. If laws could not protect the immaterial rights of companies, they could be easily exploited, stolen or sabotaged by others. Only by having real ownership of the immaterial rights, patents and trademarks, it can be considered a sound protocol to actually invest in them (Radikaali, Malmelin & Hakala, 2008)

3.BRAND MANAGEMENT

Brand management begins with having a systematic knowledge of the word "brand". It involves building a promise, satisfying that promise and preserving it. It means stating the brand, positioning the brand, and delivering the brand. Brand management is an art of creating and maintaining the brand. Branding strengthens customers' loyalty to your organization. A strong brand differentiates your products from the competitors. It gives a quality image to your business. Brand management includes dealing with the tangible and intangible features of brand. In case of product brands, the tangibles include the product itself, price, packaging, etc. While in case of service brands, the tangibles include the customers' experience, customers' satisfaction etc. The intangibles include emotional association with the product / service (Management study guide). The aim of brand management is to create an emotional connection between products, companies and their customers and constituents.

4.IS BRAND MANAGEMENT IMPORTANT?

"Branding is everything; Companies live or die on the strength of their brand."
Matt Haig in his book 'Brand Failures' The brand is defined in many different ways over the years, depending on the perspective from which the brand is supposed. In a standard definition, the brand is linked to the identification of a product different from its competitors, through the use of a certain name, logo, design or other visual signs and symbols. Brands are created, stirred and applied by people working in organizations seeking to create meaningful experiences for their customers that will induce behavior beneficial to the organization. Brand management is the process a company uses to manage its brand. Companies continue to strengthen the association its brand image on the customers by making sure the look and message of each promotional tool supports the brand by emphasizing a specific message. Many large corporations hire a full-time brand manager to ensure the brand is not diminished or misused. It is the job of brand management to transform the business strategy into a brand expression. Most brand managers usually consider this to be 'the brand' without fully understanding its influences on the brand as it is forward directly to the consumer. For resellers and vendors developing a program to consistently generate high quality promotional tools that strengthen your brand while controlling its use can be a challenge. This is especially true when co-branding. Brand strengthening is about message and pace. A steady pace in the market requires consistent output of new content to the channel and marketplace that supports branding and co-branding efforts. Delivering the right message to support the brand is important. A company that knows well to manage its brand is better protected from the blow of competitors as well as any crisis that could occur with a product within the same category. In the event there is a product recall or other crisis, branded elements will stand apart from the pack and provide a certain bonus amongst customers. Mistakes and market fluctuation can be lessened and reduce the negative impact of sales of organization's brand ownership.

5.GLOBAL BRANDS

Global Brands are the names of the products or services that is known and sold in all parts of the world by a particular company. Global brand is one that has transcended its cultural origins to develop strong relationships with its customers across different countries and cultures. Products aimed at luxury and youth segments seem ideally suited for global brands. In markets such as telecom, airlines and hotels, where there is heavy consumer mobility, global branding is more feasible. When the country of origin is important, global branding is easier. Brands such as Marlboro, whose identity focuses more on the product and its roots, can more easily go global. When there is an untapped market segment, a global brand may fill the gap.
Advantages of Global Brand
Global brand helps in
- Achieving economies of scale in production and distribution
- Reduces marketing costs and brings uniformity in marketing practices.
- Premium value in the minds of foreign consumer. It creates favorable associations in their minds, which enables the marketer to fix a premium price and enjoy optimum profitability.
- Synergy is created by appropriate market expansion and collaboration, which would help in innovation and long term growth

Disadvantages Of Global Brands
Global Branding brings a few problems with it:
- Differences in consumer needs, wants, and usage patterns for products
- Dissimilarity in consumer response to marketing mix elements
- Variation in brand and product development and the competitive environment
- Discrepancies in the legal environment
- Dissimilarity in administrative procedures

6.GLOBAL BRAND FAILURES

GAP Inc:- During the busy Christmas period of 2010, Gap launched a new logo design and rebranded their company to suit. They did so with no warning. The original Gap logo, a design that had served the brand for more than 20 years, disappeared from without warning and was replaced with the new logo – people didn't like the new design. Gap performed possibly one of the fastest branding turnarounds of all time when they reverted to their original design, just six days after putting their new logo out into the public.

Coca-Cola:- In 1985, amidst much pomp and circumstance, the company released a new version of the classic soft drink. New Coke was supposed to be "smoother, rounder yet bolder" but Americans saw all of this as a great tampering rather than an improvement. Would you improve the American flag? Would you edit the Bible? No? Then why change Coca-Cola??

Here are some of the funniest, even if some are proven to be urban myth, cultural branding failures mentioned in the excellent book 'Brand Failures' by Matt Haig.

Pepsi: - The general tag line 'Come alive with the Pepsi Generation' translates to 'Pepsi will bring your ancestors back from the dead' in Taiwan

Electrolux (Vacuum Cleaners): **Slogan for their American campaign:** 'Nothing Sucks like an Electrolux'

General Motors: The 'Chevy Nova' translates to 'It doesn't go' in Spain.

7.ISSUES AND CHALLENGES OF BRANDING IN GLOBAL MARKETS

The problem facing brand managers is how to resolve these aspects and frame the policies that can release the full potential of their brand in and across multiple markets at a given time. This calls for a general structure that can be used widely to gain uniformity in branding. A common structure not only guarantees global brand management talks with the same brand language but also follows the same measures as local brand management; also it becomes obvious which internal or external factors are exclusively affecting particular communities or its sub-parts.

Issues Branding In Global Markets

a) Language differences create huge troubles for marketers in crafting the advertising campaigns and product labels. It is important to ensure the translation of a marketing campaign to make sure the meaning being conveyed in another language is the company's intended message. For example, in Canada, labels must be in both English and French, like Pepsi in Canada. In India, there are over 200 different languages, and a similar situation exists in China.

b) Colors also have different meanings in different cultures. Marketers should pick country-suitable colors to surefire that the local consumers are not insulted from the product due to colors used in the packaging. In Japan, black and white are colors of mourning and should not be used on a product's package. Similarly, purple is unacceptable in Hispanic nations because it is associated with death.

c) All cultures have their own distinct set of customs and ethnicity. It is important for marketers to learn about these so that they will know what is acceptable and what is not for their marketing programs. For example, Americans believe that suntans are attractive, youthful, and healthy. However, the Japanese do not. These key differences apply to labels and branding as well

d) It is indeed very complicated to develop a successful global brand team with a single brand strategy that can be applied effectively globally. Even the largest multinationals may not be able to hold up the essential working systems.

e) An organization cannot merely utilize the same brand features in all markets. For example, in Japan Honda means speed, youth, energy. In US Honda means quality, reliability and value. Relocation in one market may be costly, confused consumers and decrease their purchasing confidence.

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f) There exists a problem of regional reawakening. On one side there is a rise in supra-national associations like EU, WTO, and NATO. On the other, there is an increase in regional or local ethnic identity and decentralization of power from large nation-states to smaller states or autonomous regions.

g) Therefore the brand may be global but consumers may remain resolutely local. It may be more effective to co-ordinate many regional or local images while allowing for local accountability and autonomy.

h) There is a rise in global consumerism and demand for local answerability. Customers are demanding more brand and corporate transparency. They want transnational companies to be more socially and environmentally accountable to the local communities in which they manufacture and/or sell. Global brands which are perceived as monolithic with little or no global or local social responsibility are increasingly targeted by campaigners. Brands can also be exposed to worldwide bad publicity and comment through global news networks and anti-corporate websites.

i) Extreme anti-global-brand backlash is a recent trend. Violent demonstrations and attacks at the recent WTO summit in Seattle targeted Nike, McDonalds, Gap and Starbucks. The organizers may be perceived as a few extremists but their plans and actions were noticed worldwide on Internet and traditional media.

Six Challenges in Global Branding
Strong brands requires a clear strategic approach to handle the six efforts (6Es) involved in creating strong brand.
a. Economic Assistance
The main challenge faced by the brand leaders is to focus on the short term returns. Brand is a long term asset, introduction of price; discount or freebie promotion for initial acceptance of the product may lead to brand dilution and failure in the long run.
b. Effect of Approving
There must be consistency in quality/performance, if not betterment so as to sustain the growing
complexity of International market in terms of consumer's changing tastes and multiplying competition. The company must continuously innovate and maintain good customer relations though their consumer touches points, so as to create brand loyalty among existing users.
c. Emotional Appeal
Emotional appeal is essential to communicate the Brand message. Consider the number of media options available to consumers-200 or more television channels, Internet, Newspaper, magazines.
d. Effective Culture
Culture refers to how people in a society interact, what they believe. How they make decisions and what meanings they attach to certain representations. Cultures are not static, but develop through intergenerational and interpersonal learning and experience.
e. Economic, Legal and Political conditions
Condition implies the Economic, Legal and Political conditions prevailing in a foreign market. Law related to Advertising content, product specifications, distribution options, etc vary from one country to another. The Economic condition in UK made LG play down its tagline _Life is Good in Advertisements due to recent credit crunch.
f. Efficient distribution channel
Formation of distribution channel alliances in a foreign market. A distribution channel decision is vital and rigid, that it expensive to change, once decision is made.

8.CONCLUSION

In general, technology and globalization have been wonderful for business. However, each aspect in its own way has made it more difficult for businesses to manage and protect their brand assets and provide a consistency in customer experience. The ability to create logos and other proprietary brand images in electronic format has certainly increased the efficiency and lowered the cost of reproducing and distributing branded materials. For example, logo files can be shared instantly between offices and with partners and agencies. At the same time, this ease of sharing, along with widely available graphics applications, make it just as easy for anyone with a computer to alter logo and brand files, whether inadvertently or not.
The Internet: Internet has both advantages and disadvantages for branding. It facilitates companies to get their message out and reach customers in corners of the world that were not accessible before. However, the Internet is also something of a lawless Wild West, where brand images are easily disseminated and reproduced through email and social media, on blogs, and even competitors' websites.
Globalization: Large companies are distributed across national boundaries, which present new opportunities plus new challenges. Multinational corporations must be receptive to the different markets they serve, including language and cultural requirements. They must empower local marketing teams and agencies to "translate" corporate branding for

the local audience. It can be a difficult balancing act. But at the same time, they need to manage this process so the brand isn't diluted.

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