

Analysis Report on Global Brand Building

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Abstract

This report provides descriptions, research, and insights to offer an integrated perspective of branding on a global scale and identify successful theories, strategies, and best practices for intercultural brand building. The report focuses solely on international organizations and industries, meaning they do business and have stakeholders in more than one country.

Description

The American Marketing Association defines a brand as, “a name, term, design, symbol, or any other feature that identifies one seller’s goods or services as distinct from those of other sellers.” (American Marketing Association) Historically, the term “brand” has been used to associate organizations with tangible names and symbols, but as the world has become increasingly connected, the term has adopted intangible values and raised new demands. Now, brands are far more complex than a few physical associations, rather, brands are, “created and influenced by people, visuals, culture, style, perception, words, messages, PR, opinions, news media and especially social media.” (Cohen, 2020) The definition of “brand” has evolved into the sum total of how someone perceives a particular organization or individual, and the practice of “branding” refers to the art of shaping that perception. (Cohen, 2020)

“Branding” is an umbrella term that represents all the practices and initiatives that an organization uses to create its unique identity in the marketplace. Organizations that cross international borders face greater challenges while branding. They must adapt and adjust strategies to reach stakeholders with vastly different cultural backgrounds, and they must operate in regions with different legal and competitive environments. Although the risk is great, international branding presents an unparalleled opportunity to increase brand reach into global markets, achieve better ROI’s, overcome local competitors, and leverage power and scope to allow the brand itself to become the organization’s greatest asset. (Dantas & Mafra, 2022) In 2005, Thomas L. Friedman proposed his theory of the “Flat World,” which stated that rapid globalization leveled the competitive playing field for organizations and individuals to conduct business across the globe. (Alaimo, 2021) Friedman argued that through increased technological connectivity, individuals and organizations of all sizes have been enabled, and historical and geographical divisions across global markets have become irrelevant. While I argue that these international differences are still critically important, Friedman’s theory reinforces the idea that in our flattened world, brands can more easily be recognized, accepted, and trusted across international borders.

Best Practices

Since Thomas Friedman presented his analysis of the flat world in 2005, there have been countless theories and approaches for branding to internal and external stakeholders around the globe. The core dynamic of international branding is a balance of consistency and flexibility; being able to communicate one cohesive brand image while adapting strategies to the nuances of local cultures and operational landscapes. (Dantas & Mafra, 2022) These nuances are just as important on the inside of an organization as they are on the outside. For a brand to adequately represent the organization to international consumers, media, shareholders, and other external stakeholders, it must first effectively communicate its vision and goals to the internal stakeholder networks in each country it operates.

Internal

One approach to internal brand building across international lines is adaptive management. This means implementing different styles of corporate communication to adapt to the different cultures in which the organization is operating. Kara Alaimo Ph.D., a global public relations consultant and renown author, identifies 10 cultural dimensions critical to organizational development across international borders: Power distance, individualism vs collectivism, masculinity vs femininity, uncertainty avoidance, long-term orientation, indulgence vs restraint, performance orientation, humane orientation, context, and time. (Alaimo, 2021) The cultural dimensions provide insight into important aspects of culture that are difficult for non-native people to recognize. For example, in collectivist societies (such as China, Pakistan, and Venezuela), individuals typically will not voice their personal opinions in a workplace environment unless called upon to do so. So, a brand that values innovation and freedom of ideas will need to provide passive channels for their employees in collectivist cultures to express ideas. Meanwhile, in individualistic cultures (such as America, Australia, or Great Britain) expression of personal opinions and constructive debate is encouraged in the workplace, so that same brand may hold seminars in these cultures where employees can wrestle with each other's ideas. In this case, the brand would be using adaptive management to create a cohesive corporate culture of innovation and freedom of ideas in different regions around the globe.

External

While internal brand building is critical for maintaining the core brand identity in different cultures, external brand building is essential for shaping the perceptions of global external stakeholders. One of the most effective ways to communicate brand essence to external stakeholders is leveraging universal truths to enable effective localism. (WARC, 2021) Rooting marketing or public relations campaigns in universal truths creates emotional resonance in stakeholder minds and allows for brands to tie in local cultural insights. Emotional resonance is an age-old concept that was popularized in the communication field by Clotaire Rapaille, a French anthropologist who consulted for nearly 50 Fortune 100 companies during the turn of the century. Rapaille claimed that culture is largely subconscious, meaning that people are unaware of their own actions that are guided by instinct and influenced by the environments in which they grew up. (Alaimo, 2021)

When applied to communications, Rapaille's theory suggests breaking down messages to their most basic forms and using creative tactics to elicit emotion from stakeholders. He provides an example of when he was asked to discover how America people think about cheese as compared to French people. He recounted the focus groups he conducted to find insights and tells how he utilized strategies that drew emotion from the focus group, such as asking the participants to tell the story of the first time they remember interacting with cheese. Rapaille also detailed his methodology for developing a marketing campaign around coffee, where he analyzed the emotional roots of coffee in different countries. He claimed that in Europe, the smell of coffee is on every block, whereas in America, the smell is usually experienced indoors, often at home during breakfast. For this reason, the "cultural code" in America for coffee is "home." Rapaille then used this insight along with supporting data to develop a creative marketing campaign in America associating the coffee brand with the feelings of "home." (Hitt & Overgaard, 2000)

In 2010, the brand Snickers launched a successful international marketing campaign that defined their brand across the globe for a decade to follow. The iconic "You're Not You When You're Hungry" campaign ran in over 70 countries, and in its first year grew market share in 56 of the 58 global markets that it was in. (WARC, 2021) This campaign was rooted in the universal truth that hunger negatively impacts the way people act and was able to incorporate local cultural

insights to depict that truth, like a commercial that ran in China with the infamous goakao exam at the center of the story. Snickers' campaign had worldwide emotional appeal and, following the theories of Clotaire Rapaille, gained insight on consumers' instincts and emotions, and framed those insights in the context of local cultures. The result was a universally positive brand perception of Snickers associated with happiness and sustenance.

Context

Communication has traditionally been divided into multiple facets, such as advertising, public relations, corporate communication, branding, and many more. However, as the world has become increasingly flat, the once unique facets of communication have evolved into integrated roles. Now, these specializations function collaboratively to engage and persuade audiences about a certain brand. (Davenport, 2022) For example, public relations practices often shape messages used in advertising, and digital communications strategies are used to push advertising messages and even enable crisis communications. Each practice area of professional communication utilizes its neighboring specialties to help reach its full potential, and the practice of branding is no different. Therefore, I would like to propose a new definition of branding and apply that definition to international brand building. Branding is the synchronous use of advertising, public relations, corporate communication, and other forms of communication to create tangible and intangible assets that support one unique organizational identity. On the international scale, this identity must be recognized and trusted in markets outside of the organization's native country. Without utilizing all the different practice areas in communication, a brand would not be able to create valuable touchpoints with all the necessary stakeholders it needs to survive and grow.

Issues and Trends

Looking to 2022 and beyond, the number one strategy for successful international brand building is creating intangible brand values. According to the 2022 Edelman Trust Barometer, businesses are the second most trusted agents of positive and effective change, whereas government and media have severe public distrust. (Edelman, 2022) Today, brands are expected to be the leading organizations for driving social change around the globe and implementing sustainable practices in all areas of operation. 58% of consumers buy or advocate for brands based off their beliefs and values, and 60% of people choose to work at an organization because

of the same reason. Not surprisingly, 88% of institutional investors subject environmental, social, and corporate governance (ESG) to the same level of scrutiny as financial operations and performance. (Edelman, 2022) Social and environmental leadership is no longer an added bonus to a brand; it is an essential intangible asset that an organization must have to build a positive brand perception in the minds of stakeholders.

Two key trends in building brand intangibles in 2022 are company leaders acting as the face of change, and organizations bridging the authenticity gap. Referring to the 2020 Edelman Trust Barometer, CEOs are expected to be the faces of change, meaning they communicate their public policies to internal and external stakeholders using personable channels like face to face or live video. Brands with organizational leaders using high-context communications have an advantage in building intangible brand values like trust and loyalty. 81% of consumers say CEOs should be personally visible when discussing the impact of their organization on society, and 60% of employees say they expect CEOs to speak publicly on social and environmental issues. (Edelman, 2022) There is an expectation for CEOs to inform and shape conversations and policy debates around the economy, wage inequality, global warming, discrimination, education, and more. (Edelman, 2022)

The emergence of brand leaders coincides with the next major global branding trend, bridging the authenticity gap. Global reliance on digital communication has closed the distance between organizations and stakeholders, thus a natural demand of authenticity has grown in today's consumers. In a survey done in the US, UK and Australia conducted by Stackla, 90% of consumers said authenticity was important when deciding which brands they supported. (Stackla, 2019) While 91% of marketers claimed their content was authentic, 51% of consumers said less than half of all brands they interacted with created content that resonated with them as authentic. There is a divide between what brands think is working, and what truly is working amongst their audiences. Organizations and their leaders must find alternative ways to understand their international audiences and build a universally authentic perception.

A major challenge that brands will face while building and maintaining these intangible values in 2022 and beyond is handling crisis responses. According to the global public relations firm Weber Shandwick, 63% of a brand's market value is attributed to its reputation. (Alaimo, 2021) Digital media and the flat world enable information to spread around the globe in the

matter of minutes, therefore, brands in the face of crisis must quickly communicate appropriate responses to the areas in which the crisis affects and evaluate its different impacts on the cultures at hand. More importantly, brands must take preemptive measures to avoid crisis in all regions in which they operate and minimize the effect a crisis can have on the global scale. A strong way to do this is to simply share what is working. Not only is it important for brands to have solid documentation of their positive contributions to different regions they are tied to, (Alaimo, 2021) but also to share their social and environmental tools to build credibility and influence action of other brands (Bennie & Liddell, 2021) By doing this they build concrete evidence of their leadership and impact on their communities.

Thought Leaders

Guy Kawasaki is the Chief Evangelist at Canva, a leading company that supplies brand builders with design and communication tools. He also is a keynote speaker for global companies like Apple and Nike, a best-selling author, the host of the Remarkable People Podcast, and so much more. Kawasaki believes in the democratization of design tools and knowledge to help people and individuals, and is revered for his expertise in innovation, entrepreneurship, social media, podcasting, and marketing. He has extensive background working with some of the world's most impactful global brands, most notably Apple. (Kawasaki, 2022)

Brian Kenny is the Chief Marketing and Communications Officer at Harvard Business School, and has been a global leader in aligning branding, marketing, and PR efforts across the publishing and teaching enterprise. Over 20 years he has held senior marketing and communications positions in several global institutions in higher education, technology, and professional services. (Kenny, 2022)

Professional Organizations

The Global Alliance for Public Relations and Communication Management is a confederation of major global communication associations and institutions, supporting over 320,000 practitioners and academics around the world. Their vision statement reads, "The Global Alliance's vision is to enhance the role and value of public relations and communication management to organizations, and to global society. We pursue this vision by convening and serving the profession, helping to find universal principles that unite our professional

associations and their members, while embracing a diversity that enables different applications in different parts of our global community.” (Global Alliance, 2022) This professional organization advocates for the integrated use of communication and enables practitioners across the globe to improve their brand building and management through strong public relations skills.

The second professional organization is the American Marketing Association (AMA), which, despite its name, is a global leader in marketing, branding, and a plethora of other communication practices. The mission of the AMA states, “The American Marketing Association strives to be the most relevant force and voice shaping marketing around the world, an essential community for marketers.” (AMA, 2022) They pride themselves on connecting professionals and academics across the globe, and they regularly hold events to do so.

Annual Events

The first major event relevant to global branding is the BrandSmart conference, put on by the American Marketing Association, which has been held annually for over 20 years in Chicago, IL. The BrandSmart conference brings together noteworthy industry speakers, marketing decision-makers, and future-forward brand associations looking to share proven tools, strategies, and tactics. They present Ted Talk style presentations, networking opportunities, and even annual awards that recognize the best brand marketing practices around the globe. (AMA, 2022)

The second event is the World Public Relations Forum, presented by the Global Alliance for Public Relations and Communication Management. This event brings international communication leaders together to analyze relevant trends and discuss topics such as building authentic relationships, communicating across cultures, and more. They bring in professionals from all over the world and offers networking opportunities, travel opportunities, and so much more. (Riserbato, 2022)

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