The Lure of Global Branding

Building a Global Brand is even more a taught challenge in the International Business arena. It is indeed needed a continuous research for a perfect equilibrium between standardization and adaptation, between local market needs and benefits from economies of scale.

The goal of a global brand is often an utopia and sometimes might cause problems that outweigh any advantages. Global Brand advantages such as: high visibility, often good image, opportunity of spreading and saving costs, can be undermined by barriers like cultural and language differences, a different market development stage, regulations and stereotypes such as: “Country of Origin effect” and “Anti-Globalization”.

What can be instead more effective and realistic is to create strong brands in all markets developing a global brand leadership, creating global synergies and coordinating and leveraging country brand strategies through a global brand strategy. Four principles can be followed by multination for a successful global branding: Sharing Insights and Best Practices, Supporting Global Brand Planning, Assigning Responsibility, and Delivering Brilliance.

The need of a continuous flow of relevant information rather than an overload, along with the skeptical approach of the local managers towards sharing best practices and insights, represent the main barriers to the diffusion of market knowledge. This indeed has to be encouraged by companies, supporting a culture in which best practices are freely shared and communicated in an effective way. Advantages can be gained indeed by the implementation of best practices in other countries. Hence, incentives, regular meetings and an effective knowledge bank on an intranet represent a valuable support for a global brand strategy.

Furthermore is important that country managers share the same brand strategy model, vocabulary, and strategic analysis inputs and outputs; a complete template is also necessary in order to give the specific strategy’s features such as: the target segment and the brand identity and vision. Hence the global brand strategy is tied to country brand strategies that come from it. Country brand team can follow two approaches: the top-down, justifying any adjustment from the global brand strategy, or the bottom-up where the global strategy comes as result from the country brand strategies.

Another crucial aspect for building a global brand leadership is to whom is assigned the responsibility to run it. There are four alternatives represented by: Business Management Team, Brand Champion, Global Brand Manager, and Global Brand Team. The first alternative consist in a team composed by top-level line executives that have the authority and the freedom to encourage the testing and adoption of brand building programs that have been successful in another country. This is a very suitable solution in the case in which company’s top-management is particularly concerns on the brand as a core asset of the business. The Brand Champion is instead a top executive with a profound understanding of the environment, experience, knowledge and insight to whose credibility and respect come from. He/she monitor the image of the brand worldwide and approves all the brand stretching decisions. The Global Manager is instead the most feasible solution when country line managers are very powerful and company’s top management lacks in branding/marketing background. He/she has indeed to coordinate and pursue a global planning and fighting local biases that can undermine the global brand leadership. He/she have to have a deep knowledge about customers, country managers and best practices on a global scale, being therefore the global brand leader. Finally, is possible to develop a Global Brand Team rather than a single global manager. The team is composed by brand representatives from different countries in terms of stage of brand development or competitive environment. This solution yields to a deeper and more complete picture of the brand strategy on a global scale, leveraging on market knowledge sharing and best practices implementation. They can also exploit synergies, leveraging on commonalities and establishing a unique template consistent with the global brand strategy.

In conclusion, is crucial to motivate people in building an appealing brand putting all their efforts. In doing so, relying on more than one advertising agency that compete each other and the development of a global brand measurement system that takes into account not only financial measures, might represent some feasible solutions that permit to achieve a global brand leadership.