BRAND AND PRODUCT DECISIONS
Chapter 10
Global Marketing

BRANDS
- Brand
  - Complex bundle of images and experiences
- Brand Image
  - What Message does it give
- Brand Equity
  - strongest global brands have tremendous equity
- Word Mark
- Non-word mark logo - brand symbol

BASIC PRODUCT

LOCAL PRODUCTS/ BRANDS
- Sterzing’s Potato Chips
- Clodhoppors
- Cookie’s Barbeque Sauce

CUSTOMER VALUE

INTERNATIONAL PRODUCTS/BRANDS
- Sold in regional markets
  - Cars
  - Food
- Not available globally
**GLOBAL PRODUCTS/BRANDS**

- **Global product**
  - Meets wants and needs of global market place
  - Offered in ALL world regions, regardless of economic development
- **Global Brand**
  - Use same name, imaging, and position throughout the world

**Three primary characteristics used by consumers**
- Quality signal
- Global myth
- Social responsibility

**MISALIGNMENT OF GLOBAL MARKETING**

<table>
<thead>
<tr>
<th>Brand</th>
<th>Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td>Local product/ local brand</td>
</tr>
<tr>
<td></td>
<td>Global product/ local brand</td>
</tr>
<tr>
<td>Global</td>
<td>Local Product/ Global brand</td>
</tr>
<tr>
<td>Global</td>
<td>Global product/ global brand</td>
</tr>
</tbody>
</table>

**MASLOW’S HIERARCHY OF NEEDS**

1. **Physiological**
2. **Safety**
3. **Social**
4. **Self-Esteem**
5. **Self-Actualization**

**COUNTRY OF ORIGIN**

Impact of Country-of-Origin Dimensions on Product Quality and Design Quality Perceptions

Paul Chao

*University of Northern Iowa, Cedar Falls, Iowa USA*

**GLOBAL BRAND LEADERSHIP**

1. Create compelling value proposition
2. Make sure brand identity elements “work” in other markets
3. Leverage company wide knowledge by providing networks for communication
4. Consistent planning across all markets
5. Manage branding issues - business leadership
6. Execute strategy that support brand image
   - Leverage strengths

![Pizza Hut Welcome](https://example.com/pizzahut.png)

![Campbell's Welcome](https://example.com/campbells.png)
**PACKAGING**
- Labeling
- Language requirements
- Nutritional Requirements
- Country of Origin
- Health warnings

**TWO STRATEGIC OPTIONS**

**Extension Adaptation**

**PRODUCT-COMMUNICATION EXTENSION**

Strategy 1: Dual Extension

- Same product with virtually no adaptation
- Use same promotional appeals as in home market
- Message must be easily understood
- Most often in B2B product lines

**AESTHETICS**
- “Beauty in the eye of the beholder”
- Visual:
  - Color
  - Shape
  - Labels
  - Packaging

**STRATEGIC ALTERNATIVES - GLOBAL PRODUCT PLANNING**

Which is appropriate for your industry or product type????

- **Strategy 2:** production extension Communication Adaptation
- **Strategy 4:** Dual adaption
- **Strategy 1:** Dual extension
- **Strategy 3:** Product adaptation Communication Extension

**PRODUCT EXTENSION COMMUNICATION ADAPTATION**

Strategy 2:

- Little R&D, manufacturing setup expense
- Focus is on adapting the communication of product to specific market
- Use of same product for multiple or different purposes than intended
- Arm & Hammer baking soda
Strategy 3:
- Same communication strategy through out markets
- Maintenance of brand equity and image
- Product adapted for local needs

Strategy 4: Dual Adaptation
- Adapting product to local conditions
  - Size
  - Taste
  - Features
  - Size of packages
- Communication is based on cultural values or views

Product adapted for local needs

Strategy 5:
- Not all opportunities fit the adaption - extension strategic options
- Ground up development may be needed to reach developing regions
  - Kiosks for farmers in India for checking grain prices
  - Micro-credit financing

Don't fall prey NIH

NOT INVENTED HERE SYNDROME

How to choose a strategy

Product

Market

Costs
NEW PRODUCTS

- Identifying ideas
  - Discontinuous inventions
  - Dynamically continuous innovations
  - Continuous innovations
  - Line extensions
- New product development
  - Single platform
- International new product department
- Testing new products