

Exporting your brand image

Adaptation or standardization?

May 2006

Any company planning foreign expansion and considering reviewing domestic branding would be well advised to determine to which extent and in which manner its brand image should be exported. To keep communications simple and, most importantly, to achieve economies of scale, most companies would prefer managing a worldwide standard brand image.

Global trade vagaries make it essential for small and major companies to adapt the various aspects of their corporate image to the cultural character of certain foreign markets. Shapes, colours and words used to describe a company and its products might bear different meanings depending on the parts of the world involved. Failure to consider these differences could result in a funny or even vulgar translation. For example, in North America, the “OK” sign (circle made with the index and thumb) symbolizes approval, whereas in Brazil, this same gesture is considered obscene. In other words, a company that imposes its national brand without considering the impact of such a decision on the rest of the world could be extremely disappointed if the desired effect is not achieved.

Strategic planning for a brand image comprises two stages. The first step is to define the essence of the promise made to the client, i.e. the need we are committed to fulfill. At this stage, we must also examine competitive variations. Globalization calls for an identical worldwide promise, whenever possible. Several studies have shown that, as a rule, the client will expect the same brand promise to be honoured, regardless of the purchasing country.

The second step in planning a brand image is execution, i.e. the communication of the brand image. This step consists in defining the various means to be used to communicate the message: packaging, slogan, content, tactical promotions, policy, media, etc.

However, outside national borders, implementation could require certain adjustments. The entrepreneur usually has to decide between two strategic options, namely standardization or adaptation.

Brand standardization refers to the various means to be used to communicate the essence of the brand image based on a strategy that is identical for all countries. The same slogan, packaging and communication channels will be used (although minimal adaptation is often made in terms of language and other technical aspects). The development of advertising concepts together with the planning of a media strategy calls for time, effort and money. For the purpose of achieving economies of scale, entrepreneurs find it appealing to launch an international product using a standardized brand image.

However, this type of strategy could eventually prove impossible, if not unsuccessful. Let's take for example the case of a small business named *Marlo*, which designs and markets men's formal wear in Québec. Despite the convergence of ready-to-wear trends in the Western world, the deployment of this company's brand name in Spain proved to be a difficult task for company executives.

The logo for the brand 'Marlo' is displayed in a white, cursive script font. The word 'Marlo' is centered within a solid black rectangular background.

The *Marlo* brand gives rise to a major constraint. In Castilian, this word means “corn on the cob”. Since corn on the cob is reserved for livestock in Europe, it is difficult to associate this name with a prestigious product. By replacing the letter “l” by the letter “c”, the *Marco* brand takes on a whole new meaning, without greatly modifying the company's logo and other promotional aspects.

The logo for the brand 'Marco' is displayed in a black, cursive script font. The word 'Marco' is centered within a solid grey rectangular background.

Furthermore, a Spanish company had already developed a brochure concept almost identical to that of *Marlo*. The models and the shooting location were different; however, the brochure format and artistic concept were so similar that the artistic direction had to be reviewed.

Although *Marlo* counted on prestigious large-scale fashion shows to ensure the loyalty of its Québec clientele, access to such visibility in Spain was unthinkable for a newcomer. Close to Paris and Milan, Spain reserves its windows to internationally-known brands. The waiting list for such window display was way too long. *Marlo* had to innovate and develop a distinctive communication and promotional approach for this market.

Brand standardization constraints addressed in this example are essentially linked to the market and culture of the targeted country. However, several other elements could interfere with the standardization of a brand (e.g. legal restrictions). As everyone would agree, the standardization/adaptation of a brand is not an easy task. However, when carefully planned, it is a worthwhile endeavour.

For better or worse, it bears reminding that the company is automatically associated with the country of origin, which may or may not favourably alter the results of the brand strategy. Consumers in some countries are sometimes xenophiles, i.e. attracted to anything and everything foreign. In such cases, branding in compliance with the country's codes and styles is not always necessary.

Beyond the brand image, a company would also be well advised to determine the level of adaptation or standardization required for the products it wishes to export a subject to be tackled in a future article.

This article is brought to you by Caisse centrale Desjardins.