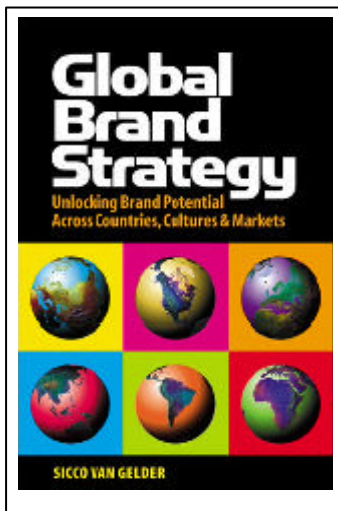


Global Brand Strategy: Unlocking Brand Potential across Countries, Cultures and Markets



Author: **Sicco Van Gelder**
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Brand managers face a multitude of complex issues while managing their brands across diverse cultures and markets throughout the world. *Global Brand Strategy*, written in a simple, lucid manner, presents a unique model for developing a global brand proposition and provides a rigorous, analytical framework that reveals how to extend the brand and realize its true value.

The recent times have seen an explosion in the number of the brands available in the market, thanks to opening up of global markets and the resultant increase in competition. This proliferation of global brands has brought in its wake a new set of challenges. Intense competition, a need to understand diverse cultures across geographies, and the need to arrive at the right combination of control and flexibility are the critical issues that global brand managers need to deal with.

In this book, Gelder traces the four eras of brand evolution: The imperial times when the European countries sold branded goods in their respective colonies; the Second World War after which new consumer brands were

available in Europe and Asia because of the American hegemony in the world economy; the third impetus when the Berlin Wall fell and the markets that were closed because of political reasons opened up for the brands; and the last era when the huge thrust came from the opening up of China—home to more than one billion people, which is not only massive in terms of consumption but is also a production hub for major brands from the developed world.

The latest era has not only made a huge market accessible to many companies, but has also enhanced the need to expand a brand beyond the geography of its home country. Thus the key issue for the brand managers is how to deal with a brand when it

stretches across multiple societies and geographies. The most contentious issue while planning a global brand strategy is the one related to standardization versus globalization. There cannot be a universal conclusion on the debate but understanding the brand more humanistically will provide a scope for better implementation of the brand strategy to suit the local as well as the global needs.

The author emphatically states that brand strategy is closely integrated with the business strategy. He argues that the primary role of brand management is to translate business strategy into brand expression. To understand brand management, one must understand the strategic planning cycle and appreciate the interrelationships between the various

About the Author

Sicco Van Gelder runs the Netherlands-based global branding consultancy called Brand Meta. The company is based on his deeply held belief that brands play a key role in creating value for organizations and their various stakeholders. He is also a co-founder of Placebrands, a firm dedicated to helping cities, regions and countries define their purpose and achieve their full potential. Sicco has previously held senior international research and consultancy positions with leading companies in Asia and Europe. His client list includes ABN Amro Bank, Braun, Brita, DeBeers, DuPont, ING Bank, Johnson & Johnson, Philips, Sony Music *et al.*

elements of the strategic planning cycle—business strategy, brand expression, marketing, brand perception, brand recognition and consumer behavior. The book makes a clear distinction between brand recognition and brand awareness while emphasizing that the former is greatly influenced by brand perception.

The next step in developing a global brand proposition is to understand the brand environment and the factors affecting it after which companies must draw out a road map aligning the internal factors (organization, brand expression and marketing) and external factors (conventions, brand perception and brand recognition). The book discusses these aspects exhaustively. It also looks at global brand strategy issues faced by the managers in taking a brand global, harmonizing a global brand and creating a new brand using the model suggested in the earlier chapters.

The book is interesting, especially for those involved in global brand management. The global brand proposition framework that the book presents is simple but elegant. The model is fairly comprehensive and

SNAPSHOT

In the book, *Global Brand Strategy*, Sicco Van Gelder delves into various issues faced by the brands going global. Sicco proposes a unique framework—Global Brand Proposition Model—which is a powerful and practical tool for developing a global brand strategy that allows companies to analyze their brand's sensitivity and vulnerability to specific internal and external influences across a multitude of diverse markets and societies. The book discusses in detail strategies to conduct internal and external brand environment analysis and also deals with issues central to global brand strategy, such as: Taking a brand global, harmonizing a global brand, extending a global brand, and creating a new global brand.

discusses the various aspects that influence global brand strategy. Though most of the concepts discussed in the book might be familiar to the readers, the author explores the interrelationships between these concepts in an interesting way. The arguments are presented in a lucid manner and are substantiated with examples. Overall, the book is engaging and is a recommended reading for practitioners and academicians alike.

Excerpts from the Book, *Global Brand Strategy*

The Brand Expression Defined

The brand expression consists of three elements: The brand's positioning, its identity and its personality. Brand positioning consists of how a brand is better than and different from its competition. It is based on fairly functional aspects of products and services. The brand personality consists of aspects of the brand's character.

Although the same brand expression instruments are available to all brand management, some brands are historically better endowed in one area than the other. Therefore, brand strategy is dependent not only upon the current perception of the brand among consumers and how that perception can realistically be influenced, but also upon the instruments that are available to brand management or that can be developed for this purpose. Each of the three brand expression elements contain various aspects that can be selected to try to influence consumer perception

of the brand, and thus achieve the brand strategy goal of delivering a specific customer experience.

Taking a Brand Global

Even strong brands at sometime are faced with limits to their expansion in the market or markets where they operate. These limits can consist of a slowing growth rate for the entire category, saturation of the brand's target segments, price erosion because of intensified competition, overcapacity as a result of optimistic market predictions, and so on. For some brands, these kinds of pressures come early in their life, as they will only be able to survive if they can enlarge their geographic markets. These are generally niche brands, which by definition serve small local markets or technology or pharmaceutical brands, which need high rates of investment to keep up the pace of innovation without pricing themselves out of the market. For other brands, these pressures reveal themselves when their key products or services become outdated in their home markets, and they seek markets where such products and services are still sought after. Especially in smaller developed markets, brands face saturated markets where growth will likely occur only at the expense of competition. The logical step, therefore, is to enter new markets abroad. ●

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