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**The Language of Global Brands:
A Platform for Intercultural Management?**

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Argument

“Brands and branding are the most significant gifts that commerce has ever made to popular culture. Branding has moved so far beyond its commercial origins that its impact is virtually immeasurable in social and cultural terms.”

Wally Olins, On Brand

All we see in contemporary business world is more or less about finding a common language. Unless able to manage a minimally uniform system of communication, people as well as businesses cannot perform. This is how my preoccupation with the theme of intercultural management in global brand management came up. Marketing will very soon equal global marketing or, at least, international marketing. Addressing diverse, heterogeneous, and, not rarely, even contrasting publics, that are geographically and culturally dispersed, will stand out very soon as top priority of marketing and branding strategy in every mature business. Given this context, I proposed myself to answer a seemingly very simple question: What makes the success of global brands? What are those “magic” ingredients that make them appealing to such diverse publics? What is the key to opening the hearts of millions?

Of course, there are many things we might think that are accountable for these effects. The product or service themselves can stand out as major determinants of people’s like or dislike of a brand. Financial power which translates very easily into marketing & distribution power as well as into great production capabilities can be another answer. However, all these are rather external to brands themselves. Therefore, we will reduce our scope of interest to means of language that brands rely on to win people’s hearts and thus increase their financial value.

The research will try to gain insight into how the best global brands (determined by the annual research carried out by Interbrand and Business Week) are built in terms of founding values, key-messages and positioning. In order to reach this objective, I will approach the raw data by means of a content analysis of the first 30 global brands performed on the communication platforms of these brands. In the end, I hope that this analysis shall also provide us several insights into common values that can be used as building rocks in marketing and non-marketing intercultural management settings.

What's in a Brand?

“What's in a name? That which we call a rose
by any other name would smell as sweet.”

William Shakespeare, *Romeo and Juliet* (II, ii, 1-2)

As it is usually the case with concepts in social sciences, brands are, quite understandably, provided with almost as many definitions as scientists, experts or researchers who deal with them. While some of them see brands as marketing tactics¹, other considers them a vital element of business strategy². Even more acutely, while many refer to brands as the intricate set of rules comprised in a brand book, there are some who strongly believe that brands only live in the minds of their consumers. As it is beyond the scope of my paper to establish which approach is the most appropriate in order to describe the essence of brands, I will only mention the referential and most common ones and try to reduce them to several traits that most of them find brands should be built around.

The *Dictionary of Business and Management* defines a brand as: “a name, sign or symbol used to identify items or services of the seller(s) and to differentiate them from goods of competitors.”³

Walter Landor, one of the greats of the advertising industry, said: “Simply put, a brand is a promise. By identifying and authenticating a product or service it delivers a pledge of satisfaction and quality.”⁴

“A brand is the most valuable real-estate in the world, a corner of the consumer's mind.”⁵

“A brand is a collection of perceptions in the mind of the consumer.”⁶

In his book *Building Strong Brands* David Aaker suggests the brand is a 'mental box' and defines brand equity as: “A set of assets (or liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service...”⁷

¹ Phillip Kotler, *Marketing Management*, 11th Edition, Prentice Hall, 2002.

² Aneta Bogdan, *Brand Equity in Branding Service*, “Brandient Seminars” support course, 2007, p. 6.

³ http://www.buildingbrands.com/definitions/02_brand_definition.php (10 April 2007).

⁴ *Ibidem*.

⁵ *Ibidem*.

⁶ *Ibidem*.

⁷ *Ibidem*.

“The sum of physical and emotional bonds created between a notorious product and its public, present or future consumers.”

“A mixture of intangible and tangible attributes, symbolized in a trade mark, capable, if properly managed, to create and influence value.” (Interbrand)

“A product is something made in a factory; a brand is something the consumer buys; a product can be easily copied, whilst a brand is unique; a product grows old very fast, whilst a successful brand goes beyond time.”⁸

Another brand guru – Wally Olins – gave a most inspiring definition of what branding and brands are about: “Once upon a time brands were simple household goods – soap, tea, washing powder, shoe polish, boring everyday products that were used up and replaced. The brand was a symbol of consistency. At a time of product adulteration, unreliable performance and variable pricing, it stood for standard quality, quantity and price. The brand’s image projected and sustained the product.

Nowadays all that has been stood on its head; brands have come up in the world. Today we mostly take a product’s functional characteristics for granted and while brands are still all about image – it is also our image.

Branding these days is largely about involvement and association; the outward and visible demonstration of private and personal affiliation. Branding enables us to define ourselves in terms of shorthand that is immediately comprehensible to the world around us. Diesel, Adidas and W hotels is one lifestyle; Hermes, Ralph Laurent and the Ritz is another. You can mix ‘n “match to customize, enhance and underline your own particular self-perception.”⁹

Another important contribution that Wally Olins had to understanding brands is that he seized the idea that brands are not only active in commercial, corporate or business environments; instead, they have penetrated and injected our whole social and cultural experiences: “Branding has moved so far beyond its commercial origins that its impact is virtually immeasurable in social and cultural terms. It has spread into education, sport, fashion, travel, art, theatre, literature, the region, the nation and virtually anywhere else you can think of. Branding is increasingly employed by not-for-profit organizations and charities who compete in the emotional territory of people’s hearts and minds with commercial brands for the money in the consumers’ pockets.”¹⁰

⁸ Aneta Bogdan, *op. cit.*, p. 6.

⁹ Wally Olins, *On Brand*, Thames & Hudson Ltd., Slovenia, 2003, p. 14.

¹⁰ *Ibidem*, pp. 14-15.

Considering all the above definitions and insights, I think that we can draw the conclusion that brands are complex mixtures of visible and invisible elements, created by both the sender and the receiver of brand messages in a continuous symbolic transaction meant to create similarity and common language between the two, and ultimately to facilitate identification and association. Brands do not belong to corporations, nor to businesses, or to the people who own the trademark. They are not created in the advertising boutique, in the marketing department, nor in the brand consultancy's office. They cannot be made to sit on a sheet of glossy paper, a billboard, or a press print. If you look for them on the walls of your organization or in the new bible of marketing that we lately came to call by the name of brand book, you have high chances to grow even more desperate about not finding it.

At the same time, brands are not autistic illusions, perceptions or views of the world condensed and imprisoned in the consumer's mind.

Brands are relationships and realities built in-between people and organizations. They are a type of symbolic contract stating that both parties share the same values and engage in the same beliefs. Brands are bonds.

They give us the power to symbolize our dreams and hopes, our values and fears in the products and services that we buy. They are our means of giving sense to our endless and otherwise exhausting consumerism. Brands are beliefs.

Therefore, when looking at brands that people love and value most, we are getting closer to their personal way of perceiving and valuing the world around. Buying is now, probably more than ever before, an act of projection. This is the underlying thesis of my research: that by analyzing most valuable global brands we can come to know something more about what people value most. This idea is defensible only as long as buying is free and prevalently emotional, inspirational and aspirational, instead of functional, as it used to be for so many centuries.

If we were to go back to Shakespeare's interrogation, I am afraid we should say that the rose would not smell as sweet if we were to call it by some other name. The reality of our world, whether we like it or not, is that words do count and that words do build as well as crash realities. And they do this by the power of their associations with values, likes, dreams and fears of all people.

Brand construction and brand essence

Brand Construction is the development of a comprehensive brand strategy and its elements such as your overall image, positioning within the market, your Unique Sales Proposition (USP), your Unique Marketing Message (UMM), your Value Proposition (VP), and the unique services and/or benefits only your firm can provide (USB). It also comprises brand values, the definition of your brand essence, a slogan that should account for your corporate philosophy, brand personality, tone of voice and style to be used in all subsequent communication activities, whether they are realized by means of public relations, advertising, promotions or direct sales.

In an online article dedicated to brand construction, someone underlined a very truthful observation: “As consumers, we don't really think about the importance of branding. We just seem to go with the flow of brand names that have become synonymous with our daily living. But the impact of a name reinforces the importance of branding when we promote our business. Think about one of the world's most popular athletic shoe companies, Nike. The importance of branding is exemplified by the fact that when you hear Nike, you think athletics and “Just Do It.” A great brand name and association has catapulted Nike to the top of its industry.”¹¹

Indeed, people do not think much about how brands are actually built and what principles and rules govern their coming into being. However, the impact of branding is of outmost relevance for businesses who want to succeed on a more and more competitive and noisy market. Branding helps businesses to make a powerful public statement, both internally and externally, about how they are unique and distinctive when compared with their competitors.

“Part of the foundational marketing strategy is to identify what makes you different”¹², and afterwards to find the best way to communicate this difference. From a holistic business point of view, branding is meant to help companies communicate their distinctiveness in a distinctive way. This is where naming, logo design, slogan elaboration, key communication themes and characters, brand personality definition, mission, vision and values come to our help.

Apart from uniqueness and simplicity, brands should also comply with rules that request them to be consistent and coherent; this first implies that brands should be communicated in a similar way via all channels, in all media, to all publics, by all promoters, in all areas and

¹¹ <http://resourceexpress.net/9/branding.php?zt=Branding> (10 April 2007).

¹² Scott Campbell, Be Different or be Extinct, published online at: <http://www.articlecafe.net/Article/Be-Different-or-Be-Extinct/24624> (10 April 2007).

contexts. Secondly, it suggests that good branding equals good synchronization. Branding is not a singular, well limited in space and time activity. On the contrary, it is something that starts with a brand idea and continues with brand construction, management, audit, evaluation, improvement, re-branding, and then again management and the rest. This is why one of the main efforts marketers make addresses the problem of preserving brand identity throughout all elements that concur to its essence.

Therefore, a good branding activity should lead us to having a brand that can generate the same basic ideas in its consumers' minds no matter when, where, how or why these people come into contact with it. This is when one can actually say that the brand has an essence, and that essence is powerful and structured enough to be perceived irrespective of individual traits, cultural contexts or social situations.

And this is in fact what global brands excel in: they manage to create names and logos, words, sounds and images that relate to publics extremely diverse and dispersed, and that somehow generate highly similar representations in the mind of people worldwide.

In our research we shall look precisely at those elements, whether they are visual, linguistic, chromatic or acoustic, that make up the essence of global brands and best define their identity.

Best Global Brands 2006: a short presentation

The Interbrand Method for Valuing Brands¹³

Criteria for consideration

Using a database of global brands, populated with critical information over the past 30 years, Interbrand formed an initial consideration set. All were then subject to the following criteria, which narrowed candidates significantly:

- Must be a publicly traded company
- Must have at least one-third of revenues outside of their country of origin
- Must be a market-facing brand
- Economic Value Added (EVA) must be positive
- The brand must not have a purely b2b single audience with no wider public profile and awareness

These criteria exclude brands such as Mars, which is privately held, and Wal-Mart which is not sufficiently global (it does business in some international markets but not under the Wal-Mart brand).

Methodology

The Interbrand method for valuing brands is a proven, straightforward and meaningful formula that examines brands through the lens of financial strength, importance in driving consumer selection and the likelihood of ongoing branded revenue. This method evaluates brands much like analysts would value any other asset: on the basis of how much they're likely to earn in the future. There are three core components to Interbrand's proprietary method:

Financial Analysis

Interbrand's approach to valuation starts by forecasting the current and future revenue specifically attributable to the branded products. The cost of doing business (operating costs, taxes) and intangibles, such as patents and management strength, are subtracted to assess what

¹³ Interbrand, *Best Global Brands 2006 - A Ranking by Brand Value*, published online at: http://www.ourfishbowl.com/images/surveys/BGB06Report_072706.pdf, pp. 9-10 (Accessed April 2007).

portion of those earnings is due to the brand. All financial analysis for the Best Global Brands is based on publicly available company information. Interbrand culls from a range of analyst reports to build a consensus estimate for financial reporting.

Role of Brand Analysis

A measure of how the brand influences customer demand at the point of purchase is applied to the intangible earnings to arrive at branded earnings. For this report, industry benchmark analysis for the role brand plays in driving customer demand is derived from Interbrand’s database of more than 4,000 prior valuations conducted over the course of 20 years. In-market research is used to establish individual brand scores against our industry benchmarks.

Brand Strength Analysis

This is a benchmark of the brand’s ability to secure ongoing customer demand (loyalty, repurchase, and retention) and thus sustain future earnings, translating branded earnings into net present value. This assessment is a structured way of determining the specific risk to the strength of the brand. We compare the brand against common factors of brand strength, such as market position, customer franchise, image, and support.

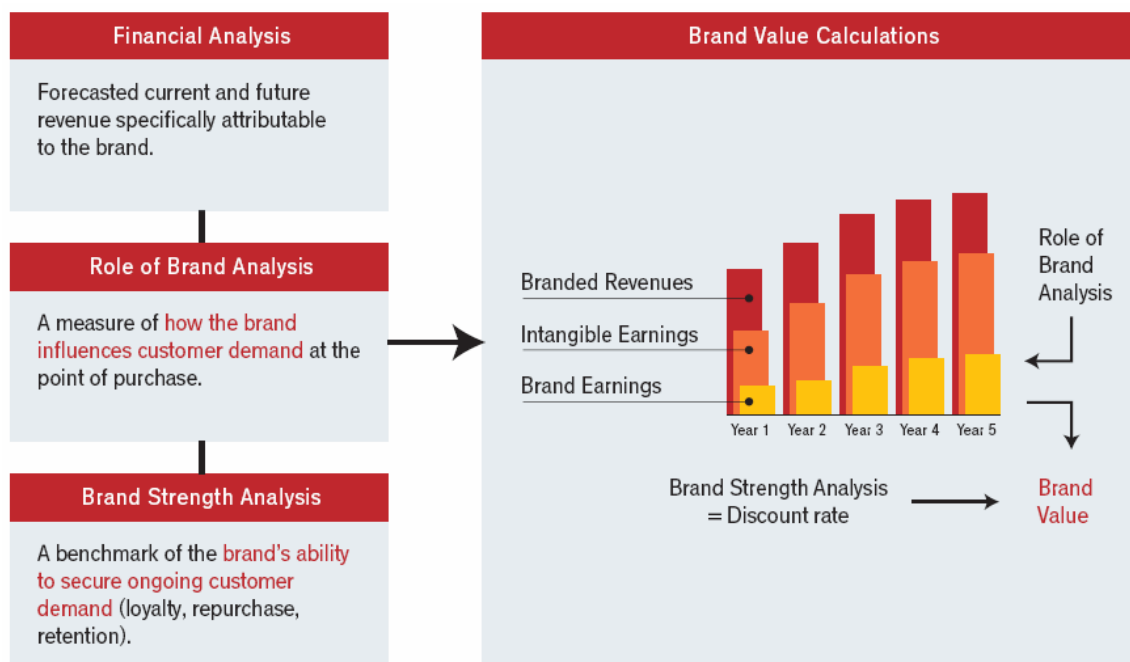


Figure 1. Interbrand methodology for Brand Valuation¹⁴

¹⁴ Interbrand, *Best Global Brands 2006 - A Ranking by Brand Value*, published online at: http://www.ourfishbowl.com/images/surveys/BGB06Report_072706.pdf, p. 10 (Accessed April 2007).

On the basis of the criteria listed above and with the help of a very consistent and already validated methodology, Interbrand produced the following listing of best 100 global brands in 2006:

Table 1. Best Global Brands 2006

Rank	Brand	Sector	2006 Brand Value (\$m)
1	Coca-Cola	Beverages	67,000
2	Microsoft	Computer Software	56,926
3	IBM	Computer Services	56,201
4	GE	Diversified	48,907
5	Intel	Computer Hardware	32,319
6	Nokia	Telecom Equipment	30,131
7	Toyota	Automotive	27,941
8	Disney	Media/Entertainment	27,848
9	McDonald's	Restaurants	27,501
10	Mercedes	Automotive	21,795
11	Citi	Financial Services	21,458
12	Marlboro	Tobacco	21,350
13	Hewlett-Packard	Computer Hardware	20,458
14	American Express	Financial Services	19,641
15	BMW	Automotive	19,617
16	Gillette	Personal Care	19,579
17	Louis Vuitton	Luxury	17,606
18	Cisco	Computer Services	17,532
19	Honda	Automotive	17,049
20	Samsung	Consumer Electronics	16,169
21	Merrill Lynch	Financial Services	13,001
22	Pepsi	Beverages	12,690
23	Nescafé	Beverages	12,507
24	Google	Internet Services	12,376
25	Dell	Computer Hardware	12,256
26	Sony	Consumer Electronics	11,695
27	Budweiser	Alcohol	11,662
28	HSBC	Financial Services	11,622
29	Oracle	Computer Software	11,459
30	Ford	Automotive	11,056
31	Nike	Sporting Goods	10,897
32	UPS	Transportation	10,712
33	JPMorgan	Financial Services	10,205
34	SAP	Computer Software	10,007
35	Canon	Computer Hardware	9,968
36	Morgan Stanley	Financial Services	9,762
37	Goldman Sachs	Financial Services	9,640
38	Pfizer	Pharmaceuticals	9,591
39	Apple	Computer Hardware	9,130

40	Kellogg's	Food	8,776
41	Ikea	Home Furnishings	8,763
42	UBS	Financial Services	8,734
43	Novartis	Pharmaceuticals	7,880
44	Siemens	Diversified	7,828
45	Harley-Davidson	Automotive	7,739
46	Gucci	Luxury	7,158
47	eBay	Internet Services	6,755
48	Philips	Diversified	6,730
49	Accenture	Computer Services	6,728
50	MTV	Media/Entertainment	6,627
51	Nintendo	Consumer Electronics	6,559
52	Gap	Apparel	6,416
53	L'Oreal	Personal Care	6,392
54	Heinz	Food	6,223
55	Yahoo!	Internet Services	6,056
56	Volkswagen	Automotive	6,032
57	Xerox	Computer Hardware	5,918
58	Colgate	Personal Care	5,633
59	Wrigley's	Food	5,449
60	KFC	Restaurants	5,350
61	Chanel	Luxury	5,156
62	Avon	Personal Care	5,040
63	Nestlé	Food	4,932
64	Kleenex	Personal Care	4,842
65	Amazon.com	Internet Services	4,707
66	Pizza Hut	Restaurants	4,694
67	Danone	Food	4,638
68	Caterpillar	Machinery	4,580
69	Motorola	Telecom Equipment	4,569
70	Kodak	Consumer Electronics	4,406
71	adidas	Sporting Goods	4,290
72	Rolex	Luxury	4,237
73	Zara	Apparel	4,235
74	Audi	Automotive	4,165
75	Hyundai	Automotive	4,078
76	BP	Energy	4,010
77	Panasonic	Consumer Electronics	3,977
78	Reuters	Media/Entertainment	3,961
79	Kraft	Food	3,943
80	Porsche	Automotive	3,927
81	Hermés	Luxury	3,854
82	Tiffany & Co.	Luxury	3,819
83	Hennessy	Alcohol	3,576
84	Duracell	Consumer Electronics	3,576
85	ING	Financial Services	3,474
86	Cartier	Luxury	3,360

87	Moet & Chandon	Alcohol	3,257
88	Johnson & Johnson	Personal Care	3,193
89	Shell	Energy	3,173
90	Nissan	Automotive	3,108
91	Starbucks	Restaurants	3,099
92	Lexus	Automotive	3,070
93	Smirnoff	Alcohol	3,032
94	LG	Consumer Electronics	3,010
95	Bulgari	Luxury	2,875
96	Prada	Luxury	2,874
97	Armani	Luxury	2,783
98	Burberry	Luxury	2,783
99	Nivea	Personal Care	2,692
100	Levi's	Apparel	2,689

Key messages and founding values for most successful global brands: a content analysis

My first intent was to approach the theme of my research in a fairly systematic way, by inventorying slogans, values and positioning key-messages that made up these brands' communication platforms. However, the raw data that can be collected from corporate sites is very far away from homogeneous. That is why I will first embark on a short presentation of each brand's communication platform and reduce it to five key-words that I shall later analyze by means of classic content analysis. These key words – the essence of the brands listed here – are to be derived from several sources: the slogan, the key-positioning statement, declared mission and values, key themes in advertising campaigns, social responsibility programs, graphics and colors used to underline, nuance or enhance the brand. I shall only refer to official information, available on corporate websites, as the focus of my paper is on how global brands speak about themselves and not about how they are perceived, analyzed or interpreted by others.

This latter aspect of my research has a significant impact on how I shall later on interpret the results and draw the conclusions. It is important to keep in mind that this paper will only evidence the way brands talk about themselves and the values they advocate (directly or indirectly) in their communication activities. I want to stress these aspects because they stand as a limitation in drawing conclusions about values that can be taken as a viable and fruitful intercultural management platform. Simply put, this all comes down to the difference between what we say about us and what others perceive us to be. Therefore, values promoted by global brands can be interpreted as a success factor of their global marketing strategy only insofar as they are not only communicated, but also perceived. This latter aspect however is not the focus of our research and shall not be dealt with here. I only mentioned it as a limitation in interpreting final results and drawing conclusions whether these values play a significant role in ensuring the success of global brands.

1. Coca-Cola: *The Coke Side of Life*TM

The company has more than 100 country specific sites for the Coca-Cola beverage. Although the themes communicated at one moment are consistent throughout regions and continents, there are significant adaptations to specific local cultures and societies. The slogan is translated into national languages and, whenever needed, even adapted. For example, the new slogan *the Coke side of life* was translated into Romanian as “sete Coca-Cola de viață” (Coca-Cola thirst of life”).



Coca-Cola brand key words: **life, music, play, youth, passion.**

2. Microsoft: *Your Potential. Our Passion*TM



“Our Values

*As a company, and as individuals, we value **integrity, honesty, openness, personal excellence, constructive self-criticism, continual self-improvement, and mutual respect.** We are committed to our customers and partners and have a passion for technology. We take on big challenges, and pride ourselves on seeing them through. We hold ourselves accountable to our*

customers, shareholders, partners, and employees by honoring our commitments, providing results, and striving for the highest quality.”¹⁵

An important aspect of the Microsoft brand communication is that its slogan, values and mission are only communicated on the US corporate website; this means that they shall not be subject to translations or adaptations to certain geographical areas.

Microsoft brand key words: **progress, excellence, inspiration, passion, responsibility.**

3. IBM: no slogan



“We've been spending a great deal of time thinking, debating and determining the fundamentals of this company. It has been important to do so. When IBMers have been crystal clear and united about our strategies and purpose, it's amazing what we've been able to create and accomplish. When we've been uncertain, conflicted or hesitant, we've squandered opportunities and even made blunders that would have sunk smaller companies.

It may not surprise you, then, that last year we examined IBM's core values for the first time since the company's founding. In this time of great change, we needed to affirm IBM's reason for being, what sets the company apart and what should drive our actions as individual IBMers.

Importantly, we needed to find a way to engage everyone in the company and get them to speak up on these important issues. Given the realities of a smart, global, independent-minded, 21st-century workforce like ours, I don't believe something as vital and personal as values could be dictated from the top.

So, for 72 hours last summer, we invited all 319,000 IBMers around the world to engage in an open “values jam” on our global intranet. IBMers by the tens of thousands weighed in. They were thoughtful and passionate about the company they want to be a part of. They were also brutally honest. Some of what they wrote was painful to read, because they pointed out all the bureaucratic and dysfunctional things that get in the way of serving clients, working as a team or implementing new ideas. But we were resolute in keeping the dialog free-flowing and candid.

¹⁵ Corporate website: <http://www.microsoft.com/about/default.msp> (Accessed April 2007).

And I don't think what resulted - broad, enthusiastic, grass-roots consensus - could have been obtained in any other way.

In the end, IBMers determined that our actions will be driven by these values:

- *Dedication to every client's success*
- *Innovation that matters, for our company and for the world*
- *Trust and personal responsibility in all relationships.*¹⁶

IBM brand key words: **passion, innovation, responsibility, trust, relationship.**

4. GE: *imagination at work*



“Imagine, solve, build and lead - four bold verbs that express what it is to be part of GE. Their action-oriented nature says something about who we are - and should serve to energize ourselves and our teams around leading change and driving performance.”¹⁷

GE brand key words: **imagination, responsibility, leadership, performance, passion.**

5. Intel: *leap ahead*TM



“Our Vision

At Intel, we constantly push the boundaries of innovation in order to make people's lives more exciting, more fulfilling, and easier to manage. Our unwavering commitment to moving technology forward has transformed the world by leaps and bounds.”¹⁸

Intel brand key words: **innovation, responsibility, progress, change, life.**

¹⁶ Samuel J. Palmisano, Chairman, President and Chief Executive Officer, declaration published on the official corporate website: <http://www.ibm.com/ibm/values/us/> (Accessed May 2007).

¹⁷ http://www.ge.com/en/company/companyinfo/at_a_glance/ge_values.htm (Accessed May 2007).

¹⁸ http://www.intel.com/intel/vision/index.htm?iid=about+lhv_vision (Accessed May 2007).

6. Nokia: *Connecting people*TM



“Quality is at the heart of Nokia’s brand promise, *very human technology.*”

We want our customers to know that Nokia is the best quality company in the industry. Our goal is to have the industry’s best products and services, most loyal customers and most efficient operational mode. We believe that quality is about meeting and exceeding customer expectations. At Nokia, we view quality holistically and as an integral part of business management. The *quality of products and customer experiences* depends on the *quality of processes*, which in turn is tied to the *quality of management*.

Our key quality targets are:

- For Nokia to be number one in customer and consumer loyalty
- For Nokia to be number one in product leadership
- For Nokia to be number one in operational excellence”¹⁹

Nokia brand key words: **people, responsibility, relationship, leadership, excellence.**

7. Toyota: *moving forward*

“You Probably Already Know Our Vehicles. Now we invite you to learn about the ideas that drive our company and the people behind those ideas. Toyota team members devote themselves to the consumer, from the drawing board to the market. Our respect for our neighbors and the environment is at the heart of everything we do. At Toyota, we are committed to continuous improvement, looking forward to new tomorrows.”²⁰



Toyota brand key words: **progress, responsibility, leadership, excellence.**

¹⁹ <http://www.nokia.com/A4126368> (Accessed May 2007).

²⁰ <http://www.toyota.com/about/> (Accessed May 2007).

8. Disney: no slogan



A key strategy in the communication of the Disney brand is that there is no information and no overt statements about the company. Actually, the message is that there is no company, but only a fantasy world that colors, sounds and miraculous characters invite us all to enjoy and explore.

Disney brand key words: **fantasy, play, magic, dream, youth.**

9. McDonalds: *I'm lovin' it*TM



McDonalds brand key words: **pleasure, health, responsibility, people, leadership.**

10. Mercedes: *Engineered to move the human spirit*



Mercedes-Benz

A thing striking enough is that on entering the Mercedes website you are invited into two different sections: on the left side, you can go into the products and services offered worldwide by the company, and, on the right one, you can access the Mercedes Brand World. This stress on the distinction between the tangible and the intangible “offer” that Mercedes launches towards their customers is paramount for understanding how this global company considers adequate to communicate the difference between product and brand. In the latter section one can find all information that is applicable to the brand irrespective of specific products or services.

Mercedes brand key words: **passion, excellence, innovation, prestige, pleasure.**

11. Citi: *Where money lives*



Our Legacy

The Story of Citigroup

100 Countries. 200 Years.

“Citi is today’s pre-eminent financial services company, with some 200 million customer accounts in more than 100 countries. Our history dates back to the founding of Citibank in 1812, Bank Handlowy in 1870, Smith Barney in 1873, Banamex in 1884, and Salomon Brothers in 1910.”²¹

“My goal for Citigroup is to be the most respected global financial services company. Like any other public company, we’re obligated to deliver profits and growth to our shareholders. Of equal importance is to deliver those profits and generate growth responsibly. An important ingredient in the success Citigroup has enjoyed over the years has been trust. I believe our Shared Responsibilities are the foundation on which that trust is built. And as the leader of Citigroup, I have a special responsibility to ensure this very precious commodity is valued as much as any other.”²² - Chuck Prince, Chairman and CEO

Citi brand key-words: **tradition, responsibility, success, trust, leadership.**

12. Marlboro: *Come to where the flavor is*

Marlboro is the world’s best selling international cigarette brand.²³ Philip Morris’s market research demonstrated remarkable similarities in core values among young adults in Asia, Europe, and the USA. This convergence of values and lifestyles led to the development of standardized promotions plans for Marlboro, the development of a single global brand identity for Marlboro, a



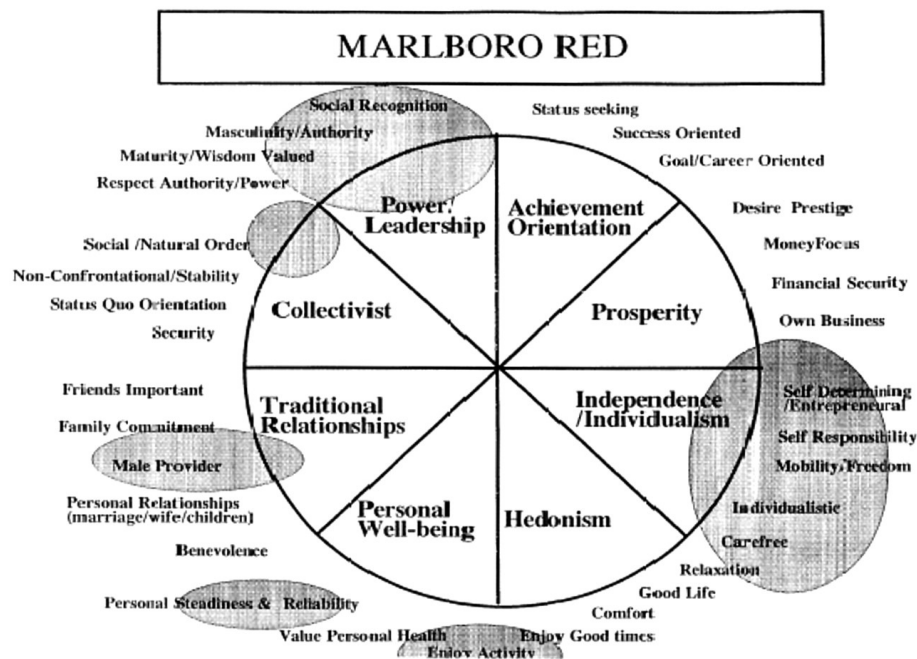
²¹ <http://www.citi.com/domain/index.htm> (Accessed May 2007).

²² <http://www.citigroup.com/citigroup/corporate/values/index.htm> (Accessed May 2007).

²³ Altria Group Inc. Altria Group Inc. 2003 Annual Report. Business Review. International Tobacco; 2004. http://www.altria.com/AnnualReport2003/ar2003_05_0200.asp (Accessed 27 July 2004).

single worldwide creative brief, and a central advertising pool that allowed regional variations in individual executions.²⁴

An example of Philip Morris’s research on brand associations and core values of young male adults gives us many clues as to how the company seeks to position this brand. This graphical representation highlights the Marlboro brand strengths and weaknesses in relation to the consumer values described in its lifestyle research.²⁵



Marlboro brand key-words: **masculinity, freedom, individualism, leadership, hedonism.**

13. Hewlett-Packard: *Invent*



invent “HP is a technology company that operates in more than 170 countries around the world. We explore how technology and services can help people and companies address their

²⁴ N Hafez and P M Ling, How Philip Morris built Marlboro into a global brand for young adults: implications for international tobacco control, published in Tobacco Control 2005; 14:262-271; © 2005 by BMJ Publishing Group Ltd

²⁵ Research International Asia. Hong Kong Yams Study 930000 Philip Morris Asia Inc. A Study of Values, Lifestyles and Brand Images among Hong Kong Young Adult Male Smokers. 2 Dec 1993. Bates No. 2504029966/0142. <http://legacy.library.ucsf.edu/tid/mcu19e00> (Accessed May 2007).

problems and challenges, and realize their possibilities, aspirations and dreams. We apply new thinking and ideas to create more simple, valuable and trusted experiences with technology, continuously improving the way our customers live and work."²⁶

HP brand key-words: **innovation, leadership, responsibility, ethics, improvement.**

14. American Express: *Make Life Rewarding*

*"The attributes that today are the hallmarks of the American Express brand -- trust, integrity, security, quality, customer service -- all have their roots in this compelling story. In this history, as well, are the genesis and development of the company's aspiration to become the world's most respected service brand."*²⁷



*"Since its founding in 1850, American Express has conducted business according to several guiding principles that over the years have become inextricably linked with the company's brand, products, services and – perhaps most notably – its people. Generations before the phrase "company values" entered the corporate lexicon, American Express employees across the organization were demonstrating the same core principles upheld by the company today: customer commitment, quality, integrity, teamwork, respect for people, good citizenship, a will to win, personal accountability."*²⁸

American Express brand key-words: **leadership, history, quality, trust, people.**

15. BMW: *Sheer driving pleasure*

"The BMW Group is the only manufacturer of automobiles and motorcycles worldwide that concentrates entirely on premium standards and outstanding quality for all its brands and across all relevant segments. Identifying potential and encouraging growth. Knowing what we represent. Recognizing where our strengths lie and making the best use of every opportunity.

²⁶ <http://www.hp.com/hpinfo/abouthp/> (Accessed May 2007).

²⁷ <http://home3.americanexpress.com/corp/os/history.asp> (Accessed May 2007).

²⁸ <http://home3.americanexpress.com/corp/os/values.asp> (Accessed May 2007).

Following a clear strategy. Goals we have attained are in essence the point of departure for new challenges. This is the philosophy that inspires every individual at the BMW Group. It influences the company's structure and it plays a vital role in the decision-making process. Our corporate ethos finds its expression in the uncompromising pursuit of the superlative. The result? Outstanding brands with an unmistakable profile. Automobiles and motorcycles which fascinate people all over the world and which win legions of new admirers every day. And a degree of success which sees the BMW Group go from strength to strength."²⁹



BMW brand key-words are: **excellence, hedonism, leadership, responsibility, progress.**

16. Gillette: *The best a man can get*



Gillette brand key-words are: **power, health, performance, masculinity, hedonism.**

17. Louis Vuitton: *Epileather*

Louis Vuitton Malletier à Paris, more commonly known simply as Louis Vuitton, is a luxury French fashion and leather goods brand and



²⁹

http://www.bmwgroup.com/bmwgroup_prod/e/nav/index.html?http://www.bmwgroup.com/bmwgroup_prod/e/0_0_www_bmwgroup_com/home/home.html (Accessed May 2007).

company headquartered in Paris, France. The company is named after its founder Louis Vuitton (August 4, 1821-February 27, 1892), who designed and manufactured luggage during the second half of the nineteenth century. One hundred and fifty years after its eponymous founder began creating and selling trunks in Paris, Louis Vuitton's signature leather goods are considered a status symbol around the globe and are highly regarded in the fashion world.³⁰

Louis Vuitton brand key-words are: **art, tradition, hedonism, uniqueness, prestige.**

18. Cisco

“Cisco enables people to make powerful connections—whether in business, education, philanthropy, or creativity. Cisco hardware, software, and service offerings are used to create the Internet solutions that make networks possible—providing easy access to information anywhere, at any time.”³¹

CISCO brand key-words are:
people, relationships, leadership, innovation, improvement.



19. Honda: *The Power Of Dreams*

“Do Not Imitate.” The mandate of Soichiro Honda echoes in the minds and hearts of everyone at Honda. At Honda, we are constantly challenging ourselves to seek out new initiatives and stay at the forefront of innovation. As an organization dedicated to the advancement of mobility, we have always targeted leading-edge technologies. From our racing spirit and our commitment to “Safety for Everyone”, to our dedication to environmental leadership and the

³⁰ http://en.wikipedia.org/wiki/Louis_Vuitton (Accessed March 2007).

³¹ <http://www.cisco.com/web/about/index.html> (Accessed May 2007).

advanced potential of ASIMO, it is our mission to develop forward-thinking technologies that anticipate and satisfy the needs of people in the future.³²



Honda brand key-words: **passion, imagination, power, innovation, responsibility.**

20. Samsung

“How we got here

Since its founding in 1938, SAMSUNG has maintained a mission statement that responds both to its own change, and to new developments in the world: “Economic contribution to the nation”, “Priority to human resources”, “Pursuit of rationalism”. Each slogan represents significant moments in SAMSUNG's history, reflecting different stages of the company's growth from a domestic industrial leader into a global consumer electronics powerhouse. In the 1990's, we transformed our mission statement to keep pace with our growing global operations, rapid changes in the world economy, and escalating competition from well-established rivals.



Our Management Philosophy

“We will devote our human resources and technology to create superior products and services, thereby contributing to a better global society. Our management philosophy represents our strong determination to contribute directly to the prosperity of people all over the world. The talent, creativity and dedication of our people is key to our efforts, and the strides we've made in technology offer endless possibilities to achieve higher standards of living everywhere. At SAMSUNG, We believe that the success of our contributions to society and to the mutual prosperity of people across national boundaries truly depends on how we manage our company. Our goal is to create the future with our customers.”³³

Samsung brand key-words: **leadership, tradition, people, responsibility, innovation.**

³² <http://corporate.honda.com/innovation/index.aspx> (Accessed March 2007).

³³ <http://www.samsung.com/AboutSAMSUNG/SAMSUNGGROUP/ValuesPhilosophy/index.htm> (Accessed March 2007).

21. Merrill Lynch

“The Merrill Lynch Principles are the foundation for our actions as leaders, colleagues, employees and citizens.



Our commitment to guide our individual and organizational conduct by the Principles help us in achieving status as one world-class company. As Merrill Lynch grows evermore diverse and global, the Principles will help us to define further who we are, what we believe and what we aspire to be for ourselves, our clients and stakeholders:

- Client focus;
- Respect for the individual;
- Responsible citizenship;
- Teamwork; Integrity”³⁴



Merrill Lynch brand key-words: **leadership, responsibility, people, ethics, excellence.**

22. Pepsi: *It's the cola*

Pepsi brand key-words: **hedonism, youth, entertainment, individualism, adventure.**



³⁴ http://www.ml.com/index.asp?id=7695_8134_8296_8231 (Accessed March 2007).

23. Nescafe: *Good food, good life*



“Since Henri Nestlé developed the first milk food for infants in 1867, and saved the life of a neighbor’s child, the Nestlé Company has aimed to build a business based on sound human values and principles.

While our Nestlé Corporate Business Principles will continue to evolve and adapt to a changing world, our basic foundation is unchanged from the time of the origins of our Company, and reflects the basic ideas of fairness, honesty, and a general concern for people.”³⁵

Nestle brand key-words: **health, responsibility, people, ethics, development.**

24. Google

“Google's mission is to organize the world's information and make it universally accessible and useful.



As a first step to fulfilling that mission, Google's founders Larry Page and Sergey Brin developed a new approach to online search that took root in a Stanford University dorm room and quickly spread to information seekers around the globe. Google is now widely recognized as the world's largest search engine -- an easy-to-use free service that usually returns relevant results in a fraction of a second. “Googol” is the mathematical term for a 1 followed by 100 zeros. The term was coined by Milton Sirotta, nephew of American mathematician Edward Kasner, and was popularized in the book, “Mathematics and the Imagination” by Kasner and James Newman. Google's play on the term reflects the company's mission to organize the immense amount of information available on the web.”³⁶

Google brand key-words: **innovation, perfection, information, development, integrity.**

³⁵ http://www.nestle.com/All_About/Business_Principles/ (Accessed March 2007).

³⁶ <http://www.google.com/intl/en/corporate/index.html> (Accessed March 2007).

25. Dell

“Soul of Dell.

Customers: We believe in creating loyal customers by providing a superior experience at a great value. We are committed to direct relationships, providing the best products and services based on standards-based technology, and outperforming the competition with value and a superior customer experience.



The Dell Team: We believe our continued success lies in teamwork and the opportunity each team member has to learn, develop and grow. We are committed to being a meritocracy, and to developing, retaining and attracting the best people, reflective of our worldwide marketplace.

Direct Relationships: We believe in being direct in all we do. We are committed to behaving ethically; responding to customer needs in a timely and reasonable manner; fostering open communications and building effective relationships with customers, partners, suppliers and each other; and operating without inefficient hierarchy and bureaucracy.

Global Citizenship: We believe in participating responsibly in the global marketplace. We are committed to understanding and respecting the laws, values and cultures wherever we do business; profitably growing in all markets; promoting a healthy business climate globally; and contributing positively in every community we call home, both personally and organizationally.

Winning: We have a passion for winning in everything we do. We are committed to operational excellence, superior customer experience, leading in the global markets we serve, being known as a great company and great place to work, and providing superior shareholder value over time.”³⁷



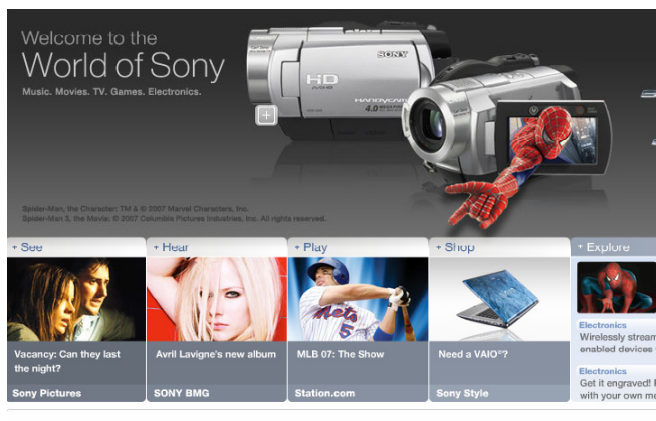
Dell brand key-words are:
**quality, responsibility,
innovation, leadership,
relationships.**

³⁷

<http://www1.euro.dell.com/content/topics/global.aspx/corp/background/en/facts?c=de&l=de&s=corp&~ck=mn&~section=000> (Accessed March 2007).

26. Sony: *like no other*

“Following registration of the Sony trademark and the company's rebirth as Sony Corporation, plans to internationalize, diversify operations, and widen brand recognition were successfully implemented. In particular, thanks to Morita's vision and resolution in developing international operations, Sony won widespread recognition and acclaim as a top international company. Thanks to his open and unique character, Morita was not viewed as just another company executive. Instead, he had become an internationally revered figure and “ambassador” for Japan. His charisma served to further boost Sony's image around the world.”³⁸

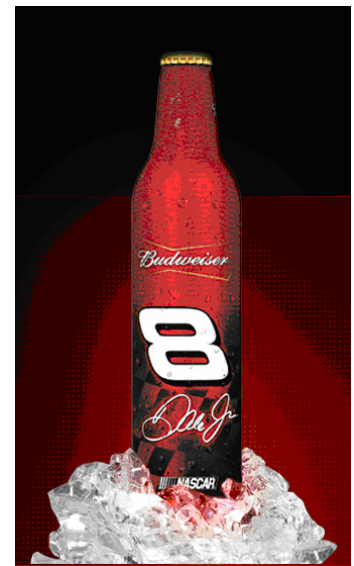


Sony brand key words:
**entertainment, adventure, perfection,
prestige, uniqueness.**

like.no.other™

27. Budweiser: *King of Beers*

Budweiser, popularly referred to as Bud, is a global pale lager brand owned by the U.S. based Anheuser-Busch company. Budweiser is one of the major breweries that emphasizes humorous advertising campaigns, such as the “Real Men of Genius” radio commercials for Bud Light, recently moved to television. The spots feature an over-the-top, 1980s-style rock ballad sung by Dave Bickler, the former lead singer of “Survivor”, describing ordinary activities as if they were heroic. Budweiser is an official partner and sponsor of Major League Soccer and the Los Angeles Galaxy Major



³⁸ <http://www.sony.net/Fun/SH/1-35/h4.html> (Accessed March 2007).

League Soccer franchise, and was the headline sponsor of the British Basketball League in the 1990s, taking over from rival company Carlsberg.³⁹

Budweiser brand key words: **entertainment, adventure, tradition, masculinity, authenticity.**

28. HSBC: *The world's local bank*

“The HSBC Group has an international pedigree which is unique. Many of its principal companies opened for business over a century ago and they have a history which is rich in variety and achievement. The HSBC Group is named after its founding member, The Hong Kong and Shanghai Banking Corporation Limited, which was established in 1865 to finance the growing trade between China and Europe.”⁴⁰



HSBC brand key words: **history, uniqueness, localization, responsibility, integrity.**

29. Oracle

“Principles of the Information-Driven Enterprise



Adhering to three principles has saved Oracle more than US\$1 billion in operating costs—so far. With these principles, which are incorporated into the design of our software, we have coordinated and streamlined all our business processes worldwide

- Simplify: Speed information delivery with integrated systems and a single database.
- Standardize: Reduce cost and maintenance cycles with open, easily available components
- Automate: Improve operational efficiency with technology and best practices.

We believe that our customers get more from their information by using Oracle's software and services and applying these principles. Many have already improved their ability to use information and IT as strategic assets and are now able to share data and processes, measure

³⁹ [http://en.wikipedia.org/wiki/Budweiser_\(Anheuser-Busch\)](http://en.wikipedia.org/wiki/Budweiser_(Anheuser-Busch)) (Accessed May 2007).

⁴⁰ http://www.hsbc.com/hsbc/about_hsbc (Accessed May 2007).

results for continuous improvement, align stakeholders, and communicate a single truth to all their constituents.

Oracle is committed to using our technology and resources to advance education in innovative ways, promote diversity, enrich the life of communities, and protect the environment.”⁴¹

Oracle brand key words: **information, improvement, integrity, responsibility, innovation.**

30. Ford



“The Dream Becomes a Business

Ford Motor Company entered the business world on June 16, 1903, when Henry Ford and 11 business associates signed the company's articles of incorporation. With \$28,000 in cash, the pioneering industrialists gave birth to what was to become one of the world's largest corporations. Few companies are as closely identified with the history and development of industry and society throughout the 20th century as Ford Motor Company.

Ford Motor Company started the last century with a single man envisioning products that would meet the needs of people in a world on the verge of high-gear industrialization. Today, Ford Motor Company is a family of automotive brands consisting of: Ford, Lincoln, Mercury, Mazda, Jaguar, Land Rover, and Volvo. The company is beginning its second century of existence with a worldwide organization that retains and expands Henry Ford's heritage by developing products that serve the varying and ever-changing needs of people in the global community.”

Ford brand key words: **heritage, responsibility, innovation, leadership, improvement.**

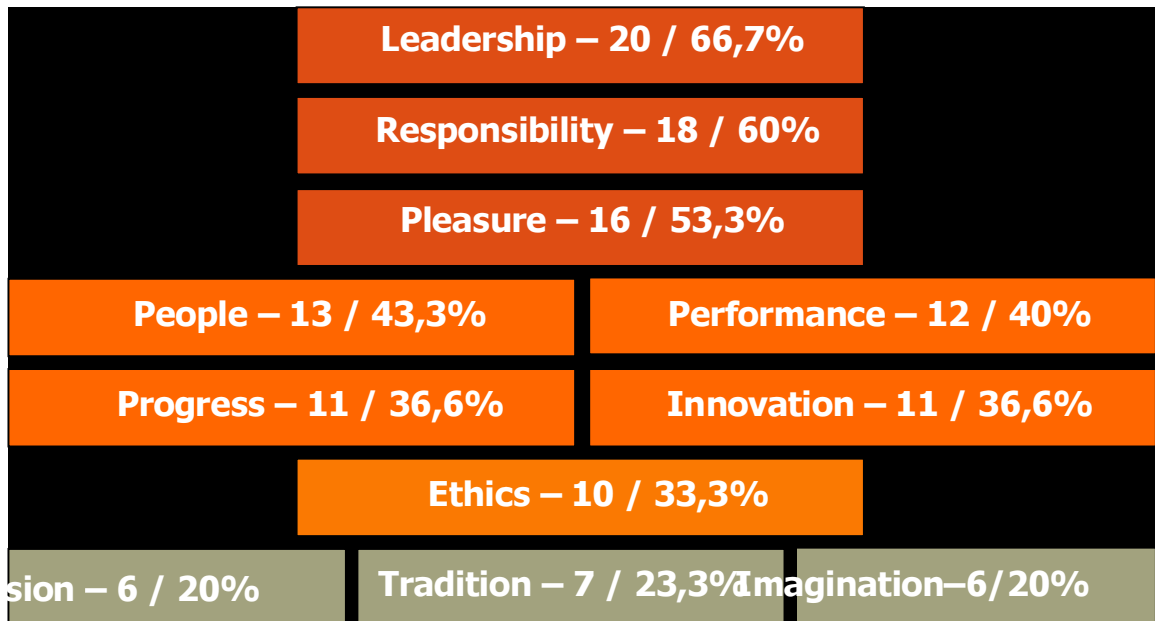
⁴¹ <http://www.oracle.com/corporate/corpooverview1.html> (Accessed May 2007).

- 15. freedom, individualism, individualism.
- 16. art.
- 17. uniqueness, uniqueness, uniqueness
- 18. information, information.
- 19. localization.

Table 2. Main values by category for best 30 global brands

Nr crt	Category	Absolute Frequency	Relative Frequency (to total number of brands analyzed)
1	Leadership	20	66,7%
2	Responsibility	18	60%
3	Pleasure	16	53,3%
4	People	13	43,3%
5	Performance	12	40%
6	Progress	11	36,6%
7	Innovation	11	36,6%
8	Ethics	10	33,3%
9	Tradition	7	23,3%
10	Passion	6	20%
11	Imagination	6	20%
12	Health	3	10%
13	Youth	3	10%
14	Masculinity	3	10%
15	Individualism	3	10%
16	Uniqueness	3	10%
17	Information	2	6,6%
18	Localization	1	3,3%
19	Art	1	3,3%

Figure 2. Most frequent values supporting global brands communication platforms



The most important founding of this research is not necessarily that it reveals the most common values that sustain global brands, but that it proves that there are certain values which most global brands resort to when communicating with their international publics. The values themselves tell us a lot about the philosophy of global brands and the cultures in which they are created.

We saw in the previous chapters that global brands rely extensively on values in order to communicate their messages and promises to customers and clients all over the world. We also saw that they rely on certain values more than on others in order to do this. But does this necessarily mean that these values, accepted by people all over the world, are also their values or that they could be?

In order to answer this question we shall compare our findings with the results obtained by Geert Hofstede in his multicultural studies and presented extensively in his book, *Cultures and Organizations (Software of the mind)*, 1991.

In a recent interview, Prof. Geert Hofstede, Emeritus Professor, Maastricht University. Hofstede declared that: *“Culture is more often a source of conflict than of synergy. Cultural differences are a nuisance at best and often a disaster. For those who work in international business, it is sometimes amazing how different people in other cultures behave. We tend to have a human instinct that 'deep inside' all people are the same - but they are not. Therefore, if we go into another country and make decisions based on how we operate in our own home country - the*

chances are we'll make some very bad decisions. One example of cultural differences in business is between the Middle Eastern countries and the Western countries, especially the United States.

When negotiating in Western countries, the objective is to work toward a target of mutual understanding and agreement and 'shake-hands' when that agreement is reached - a cultural signal of the end of negotiations and the start of 'working together'.

In Middle Eastern countries much negotiation takes place leading into the 'agreement', signified by shaking hands. However, the deal is not complete in the Middle Eastern culture. In fact, it is a cultural sign that 'serious' negotiations are just beginning.

Imagine the problems this creates when each party in a negotiation is operating under diametrically opposed 'rules and conventions.'

*This is just one example why it is critical to understand other cultures you may be doing business with - whether on a vacation in a foreign country, or negotiating a multi-million dollar deal for your company.*⁴²

Hofstede's research has a great merit in drawing attention towards cultural differences and the way these differences impact businesses when they go international or global. The negative attitude towards cultural differences that he expressed in the quote above is understandable if we consider things from the businesses' point of view. For companies that expand their operations beyond the borders of their home country, cultures are not at all a reason for joy or relaxation. On the contrary, cultural differences usually force businesses into thinking and designing new, adapted strategies in order to ensure profitability for the company in the new area where it wishes to expand. This discussion can also be applied to brands, as axial components of business strategy, regardless the industry or size of the business.

I shall therefore compare my findings about most frequent values that global brands use in their marketing and communication activities and Hofstede's findings about national cultures analyzed by means of five major cultural dimensions.

First of all, I shall briefly describe these dimensions and afterwards I shall select a number of countries, which Hofstede studied in terms of these cultural dimensions, and analyze convergence between values used by global brands and the cultural profile of these countries. The aim here is to determine whether values advocated by global brands interfere and refer to these cultural dimensions or are independent in relationship to them. The implication is that if there is

⁴² <http://www.geert-hofstede.com/> (Accessed May 2007).

high convergence between values advocated by global brands and cultural dimensions proposed by Hofstede than these values have very little chances to be accepted and efficient in a variety of countries and cultures. On the contrary, the more independent these values are in relationship with cultural dimensions of Hofstede, the more probable it is that they can be taken as an intercultural platform where dialogue and convergence between cultures can be built up.⁴³

Power Distance Index that is the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally. This represents inequality (more versus less), but defined from below, not from above. It suggests that a society's level of inequality is endorsed by the followers as much as by the leaders. Power and inequality, of course, are extremely fundamental facts of any society and anybody with some international experience will be aware that 'all societies are unequal, but some are more unequal than others'.

Individualism on the one side versus its opposite, collectivism, that is the degree to which individuals are integrated into groups. On the individualist side we find societies in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family. On the collectivist side, we find societies in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families (with uncles, aunts and grandparents) which continue protecting them in exchange for unquestioning loyalty. The word 'collectivism' in this sense has no political meaning: it refers to the group, not to the state. Again, the issue addressed by this dimension is an extremely fundamental one, regarding all societies in the world.

Masculinity versus its opposite, femininity refers to the distribution of roles between the genders which is another fundamental issue for any society to which a range of solutions are found. The IBM studies revealed that (a) women's values differ less among societies than men's values; (b) men's values from one country to another contain a dimension from very assertive and competitive and maximally different from women's values on the one side, to modest and caring and similar to women's values on the other. The assertive pole has been called 'masculine' and the modest, caring pole 'feminine'. The women in feminine countries have the same modest, caring

⁴³ Geert Hofstede, *Managementul structurilor multiculturale – Software-ul gandirii*, Editura Economica, Bucuresti, 1996, pp. 37-203.

values as the men; in the masculine countries they are somewhat assertive and competitive, but not as much as the men, so that these countries show a gap between men's values and women's values.

Uncertainty Avoidance Index deals with a society's tolerance for uncertainty and ambiguity; it ultimately refers to man's search for Truth. It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, different from usual. Uncertainty avoiding cultures try to minimize the possibility of such situations by strict laws and rules, safety and security measures, and on the philosophical and religious level by a belief in absolute Truth; 'there can only be one Truth and we have it'. People in uncertainty avoiding countries are also more emotional, and motivated by inner nervous energy. The opposite type, uncertainty accepting cultures, are more tolerant of opinions different from what they are used to; they try to have as few rules as possible, and on the philosophical and religious level they are relativist and allow many currents to flow side by side. People within these cultures are more phlegmatic and contemplative, and not expected by their environment to express emotions.

Long-Term Orientation versus short-term orientation: this fifth dimension was found in a study among students in 23 countries around the world, using a questionnaire designed by Chinese scholars. It can be said to deal with Virtue regardless of Truth. Values associated with Long Term Orientation are thrift and perseverance; values associated with Short Term Orientation are respect for tradition, fulfilling social obligations, and protecting one's 'face'. Both the positively and the negatively rated values of this dimension are found in the teachings of Confucius, the most influential Chinese philosopher who lived around 500 B.C.; however, the dimension also applies to countries without a Confucian heritage.

In order to determine whether values advocated by global brands are independent of or superposed with the cultural dimensions of Hofstede, I will analyze them case by case and establish the relationship between each value and each cultural dimension in terms of independence vs. superposition.

Table 3. Superposition between values advocated by best global brands and cultural dimensions of Hofstede

Nr crt	Global brands values	Cultural dimensions				
		Power Distance Index	Individualism	Masculinity	Uncertainty Avoidance Index	Long-term orientation
1.	Leadership	1	1	1	1	0
2.	Responsibility	0	1	1	0	1
3.	Pleasure	0	1	0	0	1
4.	People	1	1	0	0	0
5.	Performance	0	0	1	0	0
6.	Progress	0	0	0	1	0
7.	Innovation	0	0	0	1	0
8.	Ethics	0	0	0	0	1
9.	Tradition	0	0	0	0	1
10.	Passion	0	0	0	0	1
11.	Imagination	0	0	0	1	0

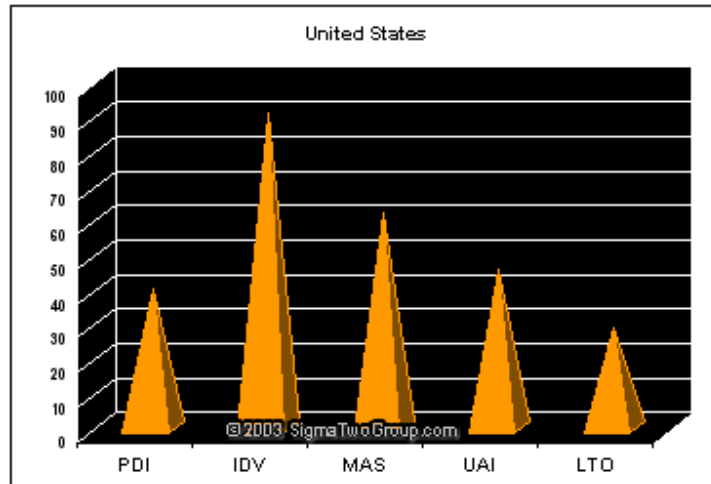
As we can see from the above table, each value is connected with one of the 5 cultural dimensions of Hofstede in one way or another. This shows that the values advocated by best 30 global brands cannot fit all cultures and do not have the potential to address worldwide publics with the same efficiency and the impact. This finding gives us very good reasons to answer one of the early questions that I have raised in this paper: do global brands owe their success to the values that support their marketing and communication activities or to the financial resources used to push them on the market, to promote and advertise them?

At this point, I consider that it is obvious that global brands do not use values that are universal, but, most probably, values that are extracted from the texture of their cultural context in which they first appeared and then evolved. At the same time, from an intercultural management perspective, this finding makes it clear that the quest for universal values that can be used as efficient platforms for intercultural dialogue and meeting points is far from being over.

On the basis of these findings, I shall look at the general convergence and superposition between global brands and cultures of countries that have generated most of them (like the USA)

and countries that are only consumers of global brands in order to see how much do values of global brands also apply to countries that have not produced any global brand so far (and I shall take Greece as a country of reference that is also representative for SEE).

*The United States*⁴⁴



There are only seven (7) countries in the Geert Hofstede research that have Individualism (IDV) as their highest Dimension: USA (91), Australia (90), United Kingdom (89), Netherlands and Canada (80), and Italy (76).

The high Individualism (IDV) ranking for the United States indicates a society with a more individualistic attitude and relatively loose bonds with others. The populace is more self-reliant and looks out for themselves and their close family members.

The next highest Hofstede Dimension is Masculinity (MAS) with a ranking of 62, compared with a world average of 50. This indicates the country experiences a higher degree of gender differentiation of roles. The male dominates a significant portion of the society and power structure. This situation generates a female population that becomes more assertive and competitive, with women shifting toward the male role model and away from their female role.

The United States was included in the group of countries that had the Long Term Orientation (LTO) Dimension added. The LTO is the lowest Dimension for the US at 29, compared to the world average of 45. This low LTO ranking is indicative of the societies' belief in meeting its obligations and tends to reflect an appreciation for cultural traditions.

⁴⁴ http://www.geert-hofstede.com/hofstede_united_states.shtml (Accessed May 2007).

The next lowest ranking Dimension for the United States is Power Distance (PDI) at 40, compared to the world Average of 55. This is indicative of a greater equality between societal levels, including government, organizations, and even within families. This orientation reinforces a cooperative interaction across power levels and creates a more stable cultural environment.

The last Geert Hofstede Dimension for the US is Uncertainty Avoidance (UAI), with a ranking of 46, compared to the world average of 64. A low ranking in the Uncertainty Avoidance Dimension is indicative of a society that has fewer rules and does not attempt to control all outcomes and results. It also has a greater level of tolerance for a variety of ideas, thoughts, and beliefs.

Given all the above, we can see that there is a strong convergence between the US culture as inventoried by Hofstede and the following values advocated by best global brands:

Table 4. Convergence between US culture and values advocated by best global brands

(+ = positive correlation, - = negative correlation, 0 = no correlation)

Nr crt	Global brands values	US cultural dimensions				
		Power Distance Index: 40	Individualism:91	Masculinity: 62	Uncertainty Avoidance Index: 46	Long-term orientation:29
1	Leadership	+	+	+	+	0
2	Responsibility	0	-	-	0	-
3	Pleasure	0	+	0	0	-
4	People	+	-	0	0	0
5	Performance	0	0	+	0	0
6	Progress	0	0	0	+	0
7	Innovation	0	0	0	+	0
8	Ethics	0	0	0	0	+
9	Tradition	0	0	0	0	+
10	Passion	0	0	0	0	-
11	Imagination	0	0	0	+	0

Greece

The scores for Greece are PDI 60, IDV 35, MAS 57 and UAI 112. Description for each of Hofstede's Dimensions are listed below:

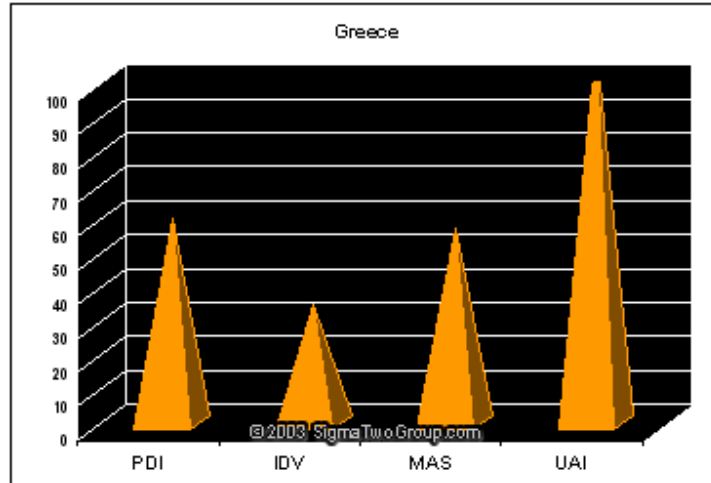


Table 5. Coverage between Greek culture and values advocated by best global brands (+ = positive correlation, - = negative correlation, 0 = no correlation)

Nr crt	Global brands values	Greek cultural dimensions				
		Power Distance Index: 60	Individualism: 35	Masculinity: 57	Uncertainty Avoidance Index: 112	No data available
1	Leadership	-	-	+	-	
2	Responsibility	0	+	-	0	
3	Pleasure	0	-	0	0	
4	People	-	+	0	0	
5	Performance	0	0	+	0	
6	Progress	0	0	0	-	
7	Innovation	0	0	0	-	
8	Ethics	0	0	0	0	
9	Tradition	0	0	0	0	
10	Passion	0	0	0	0	
11	Imagination	0	0	0	-	

Summing up positive and negative correlations for each of the two countries that we have brought into discussion, we obtain the following scores:

Table 6. Positive and negative correlations between US and Greek cultures and values advocated by global brands

	Positive correlations	Negative correlations
SUA	10	3
Greece	4	9

Global Brands: USA, EU, Japan and the rest of the world

One of the indicators of a stable and primarily mature economy is the volume of strong brands present in a country's overseas markets as well as in its domestic markets. From Coca-Cola to McDonald's, from IBM to Netscape, from Mercedes-Benz to Honda - the histories of all these companies are intermingled with those of the economies of their countries of origin. In addition to the excellence of their products, these companies benefit from advertising that is consistent and concerned not only with achieving immediate results at point-of-sale, but also with building an asset that is difficult to measure - the brand that exists in the consumer's perception.

Nothing is random, and measures such as the changing of a logo or the axing of a character, such as the "Marlboro Man" or "Joe Camel", have significant consequences for a company. A strong brand is so great an asset that sometimes a lightly drawn minimalist icon can represent a whole universe of values in the mind of the consumer. This is so with Nike which is such a strong brand that the advertising messages do not need to be focused precisely on the product, extolling this or that feature of trainer X or Y.

The majority of the world's most highly valued brands come from the USA, followed by European or Japanese brands. Emerging economies need to achieve a prominent position in this ranking, showing the new strength of their economy by means of strong brands; these brands must be built not only on the basis of pursuing overall quality, reducing the margin of error to almost zero in manufactured products, automation and labor with increasingly greater capitalization via a capital market that is increasingly solid. Brands are also constructed by consistent and aggressive marketing, using advertising as one of the main tools.



Figure 2. Best Global Brands by Country⁴⁵

I shall only emphasize that the main value evidenced by this research is very similar to those heralded by Western cultures, stemming from developed countries and leading global economies. Leadership, which is in the same category with power, and implies being the best, the biggest, the most prestigious, and raising those around you, serving as role-model and assuming responsibility for nurturing and developing followers, is at the top of this pyramid of values.

Responsibility comes very short after just like a compensation and a reiteration of the well known business principle that power comes with responsibility. From a psychosocial point of view this is a classic combination that defines the patriarchal thinking and attitude: the one who is in charge and has all the power of decision is also responsible for those for whom he/she makes decisions. Another relevant nuance here is that responsibility is understood mainly in a protectionist and reactive sense (major companies talk about their responsibility towards society, about giving back, protecting the environment, etc). Businesses do not seem to be prepared to take full responsibility proactively - which should involve in the first place assuming that the liberal economic model produces not only added value but also worldwide misery.

However, in *Brand New Justice* (Butterworth-Heinemann, 2003), Simon Anholt deals with the role of brands in economic development and argues that brands can be as beneficial for Less-Developed Countries (LDCs) as they are for the developed world. The key for LDCs is to

⁴⁵ Interbrand, *Best Global Brands 2006 - A Ranking by Brand Value*, published online at: http://www.ourfishbowl.com/images/surveys/BGB06Report_072706.pdf (Accessed May 2007).

become more entrepreneurial by exporting their own branded goods rather than importing established brands or exporting non-branded generics that are subsequently branded in developed countries.⁴⁶

Still, in order to achieve these goals, LDCs should first be able to produce global brands. So far, it is obvious that only highly developed countries have managed to impose global brands on the shortlist of the global public's preferences.

This is also a finding that raises a very acute question: *do these global brands owe their success to their highly sophisticated communication skills and knowledge or does it all come down to the huge amounts of money that they use in order to gain worldwide awareness, favorability and loyalty?*

A study realized by a team of American researchers has specifically addressed this issue. In 2002, they carried out a two-stage research project in partnership with the market research company Research International/USA to find out how consumers in different countries value global brands. First, they conducted a qualitative study in forty-one countries to identify the key characteristics that people associate with global brands. Then they surveyed 1,800 people in twelve nations to measure the relative importance of those dimensions when consumers buy products. A detailed analysis revealed that consumers all over the world associate global brands with three characteristics and evaluate them on those dimensions while making purchase decisions. They found that one factor—American values—didn't matter much to consumers, although many companies have assumed it is critical.

The main dimensions on which consumers evaluate global brands were found to be:

Quality Signal. Consumers watch the fierce battles that transnational companies wage over quality and are impressed by the victors. A focus-group participant in Russia said: “The more people who buy [a] brand...the better quality it is.” A Spanish consumer agreed: “I like [global] brands because they usually offer more quality and better guarantees than other products.” That perception often serves as a rationale for global brands to charge premiums. Global brands “are expensive, but the price is reasonable when you think of the quality,” pointed out a Thai participant. Consumers also believe that transnational companies compete by trying to develop new products and breakthrough technologies faster than rivals. Global brands “are very dynamic, always upgrading themselves,” said an Indian. An Australian added that global brands “are more

⁴⁶ CIM website: http://www.shapetheagenda.com/ins/g_disp.cfm?choice=TBL&objectid=81B1DC33-4A91-45A5-919249A148F5F208 (Accessed May 2007).

exciting because they come up with new products all the time, whereas you know what you'll get with local ones.”

Increasingly a company's global stature indicates whether it excels on quality. The researchers included measures for country-of-origin associations in their study as a basis for comparison and found that, while they are still important, they are only one-third as strong as the perceptions driven by a brand's “globalness.”

Global Myth. Consumers look to global brands as symbols of cultural ideals. They use brands to create an imagined global identity that they share with like-minded people. Transnational companies therefore compete not only to offer the highest value products but also to deliver cultural myths with global appeal.

“Global brands make us feel like citizens of the world, and ... they somehow give us an identity,” an Argentinean consumer observed. A New Zealander echoed: “Global brands make you feel part of something bigger and give you a sense of belonging.” A Costa Rican best expressed the aspirations that consumers associate with global brands: “Local brands show what we are; global brands show what we want to be.” That isn't exactly new. In the post-World War II era, companies like Disney, McDonald's, Levi Strauss, and Jack Daniel's spun American myths for the rest of the world. But today's global myths have less to do with the American way of life. Further, no longer are myths created only by lifestyle and luxury brands; myths are now spun by virtually all global brands, in industries as diverse as information technology and oil.

Social Responsibility. People recognize that global companies wield extraordinary influence, both positive and negative, on society's well-being. They expect firms to address social problems linked to what they sell and how they conduct business. In fact, consumers vote with their checkbooks if they feel that transnational companies aren't acting as stewards of public health, worker rights, and the environment. As infamous cases have filled the airwaves - Nestlé's infant-formula sales in Africa since the 1980s, Union Carbide's Bhopal gas tragedy in 1984, the Exxon Valdez spill in 1989, the outcry over Shell's plan to sink its Brent Spar oil rig and the protests at its Nigerian facilities in 1995 - people have become convinced that global brands have a special duty to tackle social issues. A German told us: “I still haven't forgiven Shell for what they [did] with that oil rig.” An Australian argued: “McDonald's pays back locally, but it is their duty. They are making so much money, they should be giving back.”

The playing field isn't level; consumers don't demand that local companies tackle global warming, but they expect multinational giants like BP and Shell to do so. Similarly, people may turn a blind eye when local companies take advantage of employees, but they won't stand for transnational players like Nike and Polo adopting similar practices. Such expectations are as pronounced in developing countries like China and India as they are in developed countries in Europe.

The researchers however did not find the anti-American sentiment that colored judgments about U.S.-based global brands. Since American companies dominate the international market, critics have charged that they run roughshod over indigenous cultures in other countries. Champions of free trade have countered that people in other nations want to partake of the great American dream, and global brands like Coke, McDonald's, and Nike provide access to it. That debate has cast a long shadow over American firms, and they have become rather circumspect about revealing their origins, culture, and values while doing business overseas. Many have tried to position themselves as more global than American.

That finding is all the more remarkable considering that when they conducted the survey, anti-American sentiment in many nations was rising because of the Iraq war. Most of the consumers were like the South African who candidly said, "I hate the country, but I love their products." A Filipino confessed: "I used to go on anti-American rallies when I was a student, but I never thought about the [American] brand of clothes or shoes I wore!" "We aren't concerned with how America governs itself," an Indian said. "What we look for is quality in their products." Since people's concerns with U.S. foreign policy have little impact on brand preferences, American companies should manage brands just as rivals from other countries do.

The relative importance of the three dimensions was consistent across the twelve countries they studied, indicating that the calculus used by consumers to evaluate global brands varies little worldwide. Taken collectively, though, the global dimensions were more powerful in some countries than in others. They have the smallest impact on U.S. consumers, for example. Because of the dominance of American brands in foreign markets, a competitive national market, and a certain ethnocentrism, Americans are relatively uninterested in brands' global presence. The drivers also have less impact on consumers in Brazil and India. That may be because of vestiges of anti-colonial cultures, the strength of local manufacturers, and growing nationalism in those countries. At the spectrum's other end, the dimensions influence consumers in Indonesia, Turkey, and Egypt the most. In those predominantly Muslim nations, they could survey only people who worked in the organized economy and belonged to the top 50 percent of the population in

socioeconomic terms. Such people may value global brands particularly highly because they represent a way of life that they cherish - a way of life that may be under threat from religious fundamentalism.⁴⁷

Given the research that we have extensively described above, one might think that global brands and the global companies who manage them could easily, carelessly and lightheartedly, go to sleep. Still, there are people who do recognize a very close connection between movements of anti-globalism, anti-capitalism, anti-colonialism (be it economic or cultural) and an highly articulated negative attitude towards global brands: “The anti-globalization movement has taken up the notion of branding in a big way, focusing particularly on the brand as the most public, seductive and manipulative manifestation of the corporation. That’s why brands have emerged high in the pantheon of horrors created by the anti-capitalist, anti-big business brigade. Naomi Klein⁴⁸ and like-minded thinkers have gone to very considerable lengths to demonize Nike, Coca-Cola and a bunch of similarly well-known companies for, amongst other things, grinding the faces of the poor in Third World countries, suborning and subverting the education of children in the West, charging too much and giving too little to customers and potential customers everywhere, brainwashing people with relatively little money into buying products they don’t need and don’t really want and that might harm them, and generally acting like bully boys, thugs and profiteers.”⁴⁹

At a closer look, we can see that both points of view expressed before could be taken into account as realistic and well sustained by reality. It is true that what people value most in global brands is not their American origin (which, even when recognized as such does not disturb them and does not reduce preference for or loyalty to products and services that originate in the US), but the promise of quality they give, the access to universal myths of power and success, and also the fact that they manage to convince that they also give back, that they return to their customers on the loyalty and appreciation received.

At the same time, it is also true that people do associate global brands with globalization and therefore with negative phenomena such as:

- reduction in cultural diversity through hybridization or even assimilation;
- according to “The Challenge of Slums,” a 2003 UN-Habitat report, “the cyclical nature of capitalism, increased demand for skilled versus unskilled labor, and the negative

⁴⁷Douglas B. Holt, John A. Quelch, Earl L. Taylor, *How Global Brands Compete*, Harvard Business Review, Vol. 82, No. 9, September 2004.

⁴⁸Naomi Klein, *No Logo: Taking Aim at the Brand Bullies*, Picador, New York, 2000.

⁴⁹Wally Olins, *On Brand*, Thames & Hudson Ltd., Slovenia, 2003, p. 10.

effects of globalization — in particular, global economic booms and busts that ratchet up inequality and distribute new wealth unevenly — contribute to the enormous growth of slums.”⁵⁰

- widespread poverty throughout the developing world, as one of the major threats to social progress and human security;⁵¹
- environmental destruction;
- widening the gap between HDCs and LDCs;
- diminishing national states’ sovereignty;
- because of a fiscal squeeze, the public provision of social services is being constrained
- because of a time squeeze, the personal provision of (unpaid) caring service is being reduced
- because of a perverse incentive squeeze, the environmental resources so essential for human development are being degraded
- the markets in today's global system are distributing opportunities unevenly
- the volatility of markets is creating new vulnerabilities
- the success of many global markets has marginalized many non-market activities for human development.⁵²

All these drawbacks attributed to globalization are just as many risks for global brands, irrespective of their national label. At the same time however, globalization is acclaimed for its positive effects on global interconnectivity, human interactions and communications, mobility, free trade and the suppression of boundaries between peoples, societies, economies and cultures.

At the 1995 World Summit for Social Development in Copenhagen, nations of the world took note of this dualism: “Globalization, which is a consequence of increased human mobility, enhanced communications, greatly increased trade and capital flows, and technological developments, opens new opportunities for sustained economic growth and development of the world economy, particularly in developing countries. Globalization also permits countries to share experiences and to learn from one another's achievements and difficulties, and promotes a cross-fertilization of ideals, cultural values and aspirations. At the same time, the rapid processes

⁵⁰ http://en.wikipedia.org/wiki/Globalization#_note-22 (Accessed May 2007).

⁵¹ UN Third Committee (Social, Humanitarian, Cultural) press release: *POVERTY, NEGATIVE EFFECTS OF GLOBALIZATION HIGHLIGHTED, AS THIRD COMMITTEE CONCLUDES DISCUSSION OF SOCIAL DEVELOPMENT ISSUES*, 11/10/2001

⁵² UNDP / Human Development Report Office (HDRO), UNDP , 1999

of change and adjustment have been accompanied by intensified poverty, unemployment and social disintegration. Threats to human well-being, such as environmental risks, have also been globalized.”⁵³

⁵³ <http://www.visionoffice.com/socdev/wssd.htm> (Accessed May 2007).

Conclusions

In the end, I would like to reiterate some of the ideas that I have come up to while doing this research. In my opinion, the main conclusions that I can draw from all the above data, information, knowledge and debate are the following:

1. There are values that global brands tend to use significantly more than others (leadership, responsibility, pleasure, people, performance, progress, innovation, ethics, tradition, passion and imagination);
2. These values, when tested against the 5 cultural dimensions defined by Geert Hofstede, prove to have very little potential for universality;
3. Some cultures correlate better with values advocated by global brands than other countries do. In our specific case, the US (the country that currently produces more than 50% of the 100 best global brands) shows a much higher degree of convergence with these values than Greece - a country that has not produced a global brand ranked in the top 100 so far.
4. Global brands are the products of the *Western World*. For this reason it is not improbable that they attract some of the criticism and negative attitude of anti-globalists, anti-capitalists, anti-West militants.
5. Our research cannot help us find to what extent values advocated by best global brands contributed to their commercial success. The answer lies with the consumers.

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