

Global Branding - Be Careful!

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When creating a brand name, companies must consider global market expansion opportunities. Once a product does well in the U.S., most smart businesses and marketers try to market their product or service abroad. A key issue that many companies overlook is how to market to different cultures that do not closely align with American culture and values. Most international marketing failures occur because of inadequate market research. When Betty Crocker

tried to bring their ready-to-bake cake to Japan a big problem was that there were few ovens in households. To avoid such a blunder, organizations should spend considerable time in the country, talk to the consumers, and conduct field experiments.

Even products that are considered to be "universal" could be misunderstood and not useful in certain countries due to the way people live their lives. Whether you are appealing to the masses such as Apple, Campbell's, or Pepsi or are a niche marketer, cultural factors matter. Consider the brand's name and its meaning. There are thousands of languages and to different people, there are different meanings to words. Nokia Lumia for example, started making phones in 2011 and became very popular in America. Over time, the brand expanded into other countries. However, when the brand was marketed in Spanish countries with the same name, the credibility was severely diminished. The Nokia Lumia had a different meaning in Spanish. Lumia is a Spanish slang word for prostitute. A product may be desirable for a market, but the brand name can be problematic. This is why it is so important to work on the brand's global image on a market by market basis. It has also been shown that consumers trust brands that have originated in their home country. The trust factor is lessened when there is a cultural paradox between names and meanings.

Can you identify another good example of how a poor global brand name led to an international marketing failure?

Sources: <http://mentalfloss.com/article/31168/11-product-na>