

# KNOWLEDGE



Successful global brand management is a balancing act between local level aspirations and international strategic vision.

In a world of globalisation, multinational companies and expanding online commercial and social interactions, global brand management has evolved into a complex and ever changing discipline. In a previous **article** I have outlined crucial factors for integrating brands in mergers and acquisitions, the same principles can be applied in the domain of global brand management. The key to success is consistency and harmonisation.

Organisations with international brands in their portfolio have different approaches and systems for global brand management, but the underlying principle is always to instill, build and maintain consistency in the process.

# Managing brands over time

Managing brands in today's inter-connected and complex business environment is challenging. Brands are affected by heightened competition, regulations, supply chain and distribution issues and manufacturing costs, while requiring constant advocacy and reputation management. For companies to manage this plethora of internal and external factors across multiple geographies, global brand management practices need to be resilient, responsive, growth-oriented and future proof.

To ensure the intended impact of driving growth

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## Be adaptive and flexible

Brand management is not about rigid enforcement of frameworks, rules and practices. Successful global brands are managed by balancing 'consistent brand guardrails' with the 'freedom to adapt to leverage local growth opportunities'. Without the freedom to adapt to local needs and leverage emerging opportunities, brands risk becoming obsolete and irrelevant. Any form of brand adaptability, such as extensions, variants, and diversification, should not dilute the core values of the brand and lead to a loss of equity. Constantly evaluating a brand's strategy against its guardrails, vision and core mission ensures consistency in the global brand promise across countries and regions. Philips, for example, made a big impact in China, where its local business developed a soy milk maker to the delight of consumers worried about food safety.

## Leverage technology

The emergence of technology-enabled solutions has fundamentally changed the practice of brand management. Forward-thinking organisations have identified the benefits and scalability of technology in brand management and have quickly adopted solutions. Unilever, for example, has used the marketing software company Percolate to support its global brand management practices. Customer Relationship Management (CRM), identity, licensing and activation systems have all seen rapid advances in terms of technological innovation and global scalability.

#### **Use custodians**

Ensuring consistency in brand identity, strategy, marketing and activations should be the core role and responsibility of at least one individual in an organisation. These people are the brand custodians and their job is not to act like a cruel enforcer of rules but to be a strategic guide and mentor who can advise local brand marketing teams on strategic issues such as managing brand guidelines, ensuring consistency in brand positioning, adapting or localising brand communications, integrating local marketing strategies into the global brand strategy and facilitating the exchange of knowledge and best practices between local and global brand teams.

## Align organisational structures

People can only work to their fullest capacity when organisational structures are designed and aligned to ensure this. Global, regional and local brand management functions should be seamlessly integrated in an organisation. The global versus local issue of local push-and-pull over strategic issues is well documented and observed in management practices. The same tension can completely damage the execution of the most effective brand management. Roles and responsibilities in brand management structures should be clearly defined and overlaps reduced. The challenge most global organisations face is the excessive number of individuals responsible and involved, with no distinct demarcations between their roles and responsibilities. Lean brand management functions are required for more efficiency, accountability and effectiveness in management and implementation. Serious global brand marketers need to ask themselves - "Brand management is in itself complex, should my organisational structure increase or decrease this complexity?" The answer should be obvious.

## Be proactive

Global brand management needs to be a proactive discipline rather than a reactive one. The evolution of technology, social media, next generation customer relationship management tools, social listening platforms, cultural and trend analysis, cocreation, crowd-funding and disruptive innovation techniques have made it easier for brand marketers

Visit INSEAD Knowledge http://knowledge.insead.edu to stay close to the consumer and become more accurate in spotting, predicting and leveraging trends. Brand management practices need to be aligned to these new and emerging tools and techniques and should be able to integrate them in key phases of the function.

The benefits and strategic advantage new and emerging techniques provide can only be realised when they are integral, and not acting as point-intime external inputs, into the process. For example, if an organisation's medium and long-term strategy is innovation-driven brand building, then techniques like co-creation should be integral to the brand management process right from the very beginning.

Brands become global through excellence in brand building and implementation. Internationalising brands is an immensely challenging process that requires constant adaptability and the ability to scale up efficiently. Managing global brands should enhance the dimensions of adaptability, growth and innovation. Organisations who are able to do this have been able to master the act of balancing local level aspirations with their brand's global vision and strategy.

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