

A CROSS-CULTURAL BRAND ANALYSIS: COMPARISON BETWEEN GLOBAL AND LOCAL BRANDS

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ABSTRACT

There has been an increasing number of global brands and corresponding competition among global retailers. At the same time, markets in the world are becoming complex, and consumers in many markets demand localized marketing and branding strategies. To this end, this study seeks to understand how consumers in three countries (Mexico, South Korea, and Japan) perceive U.S. global brands versus local brands and their marketing efforts. The hypotheses are developed based on the brand analysis framework that consists of brand-specific associations (emotional value, perceived quality), general brand impressions (brand awareness, brand image), and brand commitment (brand loyalty, purchase intention). The results revealed significant main effects of country and brand type (global vs. local) on brand-specific associations, general brand impressions, and brand commitment. Interactive effects also existed on brand-specific associations, general brand impressions, and brand commitment (only brand loyalty). Potential strategies for both U.S. global brands and local brands are suggested for each country.

BRAND ANALYSIS

To assess the current position of a global brand among consumers in different countries (i.e., Mexico, South Korea, and Japan), it is crucial to analyze how the brand is perceived, how the brand is evaluated, and to what extent consumers are committed to the brand. Dillon, Madden, Kirmani, and Mukherjee (2001) proposed that brands can be analyzed based on two components: brand-specific associations and general brand impressions. Adopting Dillon *et al.*'s (2001) model, this study is extended to include brand commitment. Thus, our brand analysis model consists of three components: brand-specific associations, general brand impressions, and brand commitment.

Hypotheses Development

The hypotheses are developed based on the brand analysis framework that consists of brand-specific associations (emotional value, perceived quality), general brand impressions (brand awareness, brand image), and brand commitment (brand loyalty, purchase intention).

Methodology

Two brand types (i.e., global and local) were chosen for each of the three countries. "Polo" was selected as the U.S. global apparel brand, and the local apparel brand was selected by asking respondents to refer to "the most popular casual local brand." Polo was selected as a global brand because Polo is one of the representative U.S. global apparel brands with a globally recognized name and symbols that continues to expand the business overseas (Tessensohn & Yamamoto, 2006). This study utilized a repeated measure (split-plot) design involving more than two independent groups (Keselman & Algina, 1996). A split-plot analysis of variance analyzed a design in which a repeated measure (i.e., within-subjects) factor is crossed with a between-subjects (i.e., treatment variable) factor. The brand type factor was considered as the repeated measures factor (i.e., the within-subjects factor), consisting of two conditions (i.e., Polo and local). The country factor was considered as a grouping factor (i.e., between-subjects factor) consisting of three groups (i.e., Japan, South Korea, and Mexico).

CONCLUSIONS AND IMPLICATIONS

The goal of the study was to discover the effects of country (i.e., Mexico vs. South Korea vs. Japan) and brand type (i.e., global vs. local) on consumer responses to three brand analysis components: brand-specific associations, general brand impressions, and brand commitment. The findings demonstrate that clear-cut and unique brand analysis patterns exist among consumers in three different countries for both the global and local brand. The interaction effects of country and brand type on consumers' brand analysis indicate that the perception of the global versus local brand varies among countries that are in different development stages. The findings can provide significant insights into what global and local companies must emphasize to be successful in capturing and sustaining consumers' desire to buy and use their brand.

References Available Upon Request