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**A Study into Developing Strategies for
Internationally Competitive Irish-Owned
Consumer Brands**

Aidan O'Curry B.Sc.

**A thesis presented in fulfilment of the requirement of the award
of
MPhil
(Master of Philosophy)**

**Dublin Institute of Technology
Aungier Street**

School of Retail and Services

Supervisors: Amanda Ratcliffe & Gerry Mortimer

October 2006

Abstract

The objectives of this study centre on researching the complexities inherent within the development of Irish owned consumer brands. This is with particular emphasis on the international development of Irish brands and the ways by which International success can be realized. There has been a notable lack of Irish successes in International markets since that achieved by brands such as Guinness, Bailey's, and Kerrygold. Through examination of the literature on branding and contextualization of the study considering the Irish business environment, the research aims to explore ways in which indigenous Irish brands can grow and achieve international success.

The first two chapters review the literature on branding. Chapter one looks at the literature concerning the concept of a brand. Furthermore, the chapter also discusses the strategic aspect of brand management. Chapter two looks at brand management in an international sense and the Global brand concept. The Literature review also proposes a more precise definition of the term 'Global Brand'.

The methodology employed adheres to the pragmatism paradigm, employing both quantitative and qualitative techniques thereby triangulating the research. The research is thus in two distinct phases. Firstly a survey on branding which highlights key issues regarding Irish owned consumer brands. Secondly a set of three interviews with managers of three Irish owned consumer brands at three different levels of international growth are conducted to explore key issues and the survey findings.

The conclusions are centered on key themes which directly relate to the research objectives. The study then proposes several practical recommendations for the development of Irish consumer brands and indigenous Irish enterprise in general.

DECLARATION

I certify that this thesis, which I now submit for examination for the award of MPhil (Master of Philosophy), is entirely my own work and has not been taken from the work of others save and to the extent that such work has been cited and acknowledged within the text of my work.

This thesis was prepared according to the regulations for postgraduate study by research of the Dublin Institute of Technology and has not been submitted in whole or in part for an award in any other Institute or University.

The work reported on in this thesis conforms to the principles and requirements of the Institute's guidelines for ethics in research.

The Institute has permission to keep, to lend or to copy this thesis in whole or in part, on condition that any such use of the material of the thesis be duly acknowledged.

Signature _____

Date _____

Acknowledgements

Firstly I would like to thank my supervisor Amanda. Your guidance over the two years helped me greatly especially during those times when I had radical ideas to change everything!

I would like to thank my advisory supervisor Gerry Mortimer, whose contacts greatly helped me at crucial times.

Special thanks to the respondents who gave up their time to participate in the research, both the survey and the interviews.

Huge thanks to my parents and my family who have supported me endlessly in every way possible. It can't be appreciated enough.

Thank you to the lads in the office, Barra, Collie, Ken Kenelly, Colonal Woulfe, Bill 'Blue' Dwan, Begser, Rooney and Tucker. The office was more like a playroom at times, which made the two years a good laugh.

A massive thanks to the boys in Bucks for the support over the two years, Nice Guy Cliffy B, OB, Fisher and Nipples.

Jamie Hunt gets a line to himself to make up for last time ;)

.....The various weekends away were a welcome break. Finally I'm not the student of the group anymore.

Finally thanks to Maria. It's no understatement to say I actually couldn't have done it without you, (not knowing what the hell to write at times being the main reason).

You were such a great support. I could always count on you.

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Chapter One

**The Brand Concept
And Branding Strategy**

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

- William Shakespeare

1.1 Introduction

Brands are central to the way companies do business. They are communication tools which portray the business elements inherent within a company (Aaker, 1996). Brands take the form of a visible symbol which often is designed with the nature of the business in mind. For example the consultancy firm Accenture’s brand symbol is an arrow which visually represents the company’s name. The visual element of the brand is known as the trademark as it is legally protected from copyright and therefore provides for differentiation through legal protection of the visual symbol.

The word brand however does not just mean trademark or logo. A company’s brand is a signifier to its publics of the company’s values, its culture and its ‘covenant to the consumer’ (Chevron, 1998). Much of the literature discusses the brand’s visual features as being central to differentiation. This is in a sense true, and was the crux of the American Marketing Association’s definition of brand in the 1960’s. However, there is general agreement within current literature that brands are the embodiment of the company as a whole, and one cannot single out solely their visual manifestation as their primary function (Upshaw and Taylor, 2001). Indeed, creating awareness of a company’s trademark or logo is often the tactic implemented by marketing practitioners as their ‘brand strategy’. But branding strategy does not revolve exclusively around a product or brand recall perspective. Focal to brand strategy today is the management and manipulation of the complex messages which are communicated to consumers as they visualise and personally interact with the brand.

Striving to achieve a great brand is therefore serious business, albeit a blend of art and science (de Chernatony, 2003). No matter what business context the brand

operates, the path to brand greatness remains the same and is almost entirely based on the way ‘the brain stores, recalls, and processes memories’ (Grimaldi, 2004). Considerable progress has been made in the last 15 years in this research field, to the great benefit of marketing and branding.

1.2 Brand Interpretations

Generally authors concur that brands are a communication device used by a company to differentiate their product or service offering. However, there are variances in belief on the method in which brands actually carry out this objective. According to de Chernatony et al (1997) nine main themes can be drawn from the literature as to the concept of ‘the brand’.

- Brand as a legal instrument
- Brand as a logo
- Brand as a company
- Brand as an identity system
- Brand as an image in consumers’ minds
- Brand as a personality
- Brand as adding value
- Brand as an evolving entity

This introduced the concept of the brand as two perspectives; an input perspective, in the form of a manufacturer’s creation, and an output perspective, that is, the concept of the brand as it exists in consumers’ minds. From this basis the nine main themes of brand definition can be viewed in a more structured form. The themes can be viewed as either from an input perspective, an output perspective, a mix of the two or an evolution from one to another (de Chernatony et al 1997). The nine main themes will be discussed in further detail under each theme heading in order to gain further insight into the understanding of the brand concept.

1.2.1 Brand as a Legal Instrument

An integral part of business policy concerns the legal aspect of business operations. The legality of business practices is obviously a key aspect of any strategy decision. With regard to brands, the protection of such a key differential business asset, is critical. The brand is therefore viewed as a legally protected entity which is fundamental in achieving the goal of differential advantage. Therefore, in its simplest form, a brand can be considered a 'legal statement of ownership' (Crainer, 1995).

In its simplest form, a trademark distinguishes a brand from its competitors. The protection of the trademark is therefore of paramount importance. Selecting a distinctive trademark is the first step in creating a strong brand. The legal definition of a trademark is

'Any sign which is capable of being represented graphically which is capable of distinguishing the goods or services of one undertaking from those of another.'

(Section 1(1) Trade Marks Act 1994; www.interbrand.com)

Any sign which can be reproduced in some graphic form can be registered as a trademark; this could include slogans, smells or sounds (the Intel jingle) or even gestures such as the Asda 'bottom pat'. In terms of trademark protection management, protection does not stop at registration. It is necessary to identify and register key trademarks in important territories to the business. Regular monitoring of the lifespan of trademarks is also key to ensuring sustained differentiation. Doyle (2002) contends that trademark protection strategy must be in line with overall business strategy in order to achieve this.

1.2.2 Brand as a Logo

The importance of a brand's visual features has been discussed by many authors as being central to differentiation (Dibb et al., 1994; Kotler et al., 1996). Indeed, a clearly different name with a distinctive logo, advertising and for product brands, packaging, will aid consumer awareness and recall of a new brand, and this is essential in the primary stages of the brand lifecycle. However, there are many who view a brand from solely this perspective, that of just a distinguishing mark, a logo. The American Marketing Association's (1960) definition of a brand highlights a brand's visual features as key to differentiation, 'a name, term, sign, symbol, or design, or a combination of them intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.'

Similarly Rooney (1995) views brands as a visual differentiator forming the basis for competitive advantage, '(a brand is) a name, a symbol. The brand here is seen as being a separate entity from the product or service to which it attaches. This contrasts with other author's views that the brand and the product or service are not mutually exclusive (Hankinson and Cowking, 1993; Aaker, 1996). In contrast Jones (1993) makes an important distinction between brands and the products and services they refer to. He argues that products and services have functional benefits but brands have an additional benefit in the form of added values. He is an advocator of the view that concept of brand is from the perspective of it as a logo as he states, 'all brands are either products or services but not all products and services are brands'.

The theme of brands being viewed as distinguishing logos to differentiate from competition relates directly to the need for the brand name itself to be effective in as many ways as possible, that is memorable, pronounceable, original, and in many cases directly or indirectly descriptive of the product it denotes (Murphy, 1987). Affiliations with the legal aspect of branding become apparent here as companies

undoubtedly, having created something different from the competition, wish to protect their investment.

Brands as defined under the theme of logos, act as a signifier to various publics of various messages. A logo is an indicator of many things. This can be reliability or as a guarantee of quality (Aaker 2002; Holt et al 2004). The logo holds these messages for consumers and attempts to get these messages heard over competitors in today's noisy marketing environment. Companies attempt to amplify and influence these messages using various advertising and media techniques, yet they can never guarantee that the consumer will listen. The brand's logo is a device for aiding this communication process.

1.2.3 Brand as a Company

Commonly, branding is viewed as being directly related to products and services. Indeed this is true, but an area which is receiving a lot of attention from writers is that of the brand being viewed *as* the company, i.e corporate branding. Many authors have made a distinction between product brands and corporate brands (Balmer, 2001, Hatch and Schultz, 2001 cited in de Chernatony and Dall'Olmo Riley 1997). Both product branding and corporate branding share the same *concept* of the brand, that being a cluster of functional and emotional values which promises stakeholders a particular experience. Yet, it is the actual enactment of this concept that characterises the difference between product line branding and the corporate context (de Chernatony, 2002). The reason for this shift in focus is that many organisations believe their employees are the embodiment of the brand (de Chernatony, 2002, Oakner 2004). Effective corporate branding is essential for a complete company wide understanding amongst all stakeholders, of the brand's promise to both consumers and employees (de Chernatony, 2002).

Aaker (1996) writes that the culture, people and programmes of a business form the basis for differentiation. Given this viewpoint, the brand therefore becomes an extension of this company wide attitude rather than the place where differentiation and the value proposition begin (Diefenbach, 1992). An example would be the firm

3M. The innovative attitude of their staff in tandem with the flexibility of business processes provides for continuation of this culture through its products (Shaw et al 1998).

Considering the brand as a company therefore implies the need for total cooperation between departments in order for there to be a coherent company brand identity. With this in mind, Grimaldi, (2004) contends that within a corporation, it is the responsibility of all staff to be cost-conscious as well as customer-driven. Grimaldi outlines the purpose of brand management, stating that it is their role to transform a company into a 'customer-centric organization to the point where the traditional walls that separate functions become permeable'.

Many positives will derive from a clear coherent company wide understanding of the brand, not least differentiated products that exhibit the same personalities as their company. Nevertheless, de Chernatony et al (1997) warn of the problems that can occur for brands which are so inherently linked to the company personality. They state the possible example of a company that has a bad reputation; this negativity will subsequently tarnish the reputation of its individual products. This was actually the case for Johnson and Johnson in 1982 when the reputation of their Tylenol product was tarnished due to an individual managing to lace one batch with cyanide. When the same situation happened in 1986, the company, whose reputation had been seriously damaged as a result of the incident in 1982, had learned its lessons well. It acted quickly - ordering that Tylenol should be recalled from every outlet - not just those in the state where it had been tampered with. Not only that, but the company decided the product would not be re-established on the shelves until something had been done to provide better product protection.

(<http://www.mallenbaker.net/corporatesocialresponsibility>)

Continuing this theme, Grimaldi (2004) further explains difficulties in fostering a culture which views the company and the brand as synonymous. He states that for large corporations and partnerships, the three most difficult hurdles to overcome are

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- (1) The tendency to manage by committee, which will dilute the positioning into a bland bouillon of clichés,
- (2) The difficulty to implement and coordinate the brand message consistently at each contact point with the customer, and
- (3) To maintain that consistency over time, in spite of the regular rotation of managers.

Oakner (2004) too proposes that the key to communicating the brand message rests with a firm's employees. Generally, he ratifies Grimaldi's above statements and furthermore gives his own three reasons why organizations fail at communicating the brand message. Firstly, he states that many companies do not differentiate their employee populations. A "sheep dip" approach to internal branding does not acknowledge the different needs of internal employee demographics Oakner argues. Second, he maintains that actual financial outcomes have been difficult to quantify and substantiate. Employee retention, customer satisfaction and internal brand awareness he labels as "soft" numbers, thus providing no substantial figures to use as benchmarks. Lastly, he notes that many organisations are so externally focused on the customer and shareholders that they are pursued above all others, excluding the actual messenger of the brand, the employee.

1.2.4 Brand as an Identity System

This concept of the brand is in stark contrast to that of viewing brands as logos or as legal instruments because viewing a brand as an identity means viewing the brand as a holistic entity. To illustrate, one could borrow a concept widely used in the social sciences, namely, Gestalt theory. The crux of this theory centres upon the notion that 'the whole is greater than the sum of its parts'(www.wikipedia.com).

This perspective of the brand incorporates the whole company, its processes, people and practices. Every aspect is reflected in the brand. In a sense, the corporate identity and the brand identity are one and the same, they are not mutually exclusive. Aaker (1996) declares that brand identity 'provides direction, purpose and meaning

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for the brand. It is central to a brand's strategic vision and the driver of one of the four principal dimensions of brand equity: associations, which are the heart and soul of the brand'.

Integration of business strategy with brand strategy is a key aspect of viewing a brand from this perspective, as Kapferer (1997, pp.17,18) observes;

'Too often brands are examined through their component parts: the brand name, its logo, design, or packaging, advertising or sponsorship.....Real brand management, however, begins much earlier, with a strategy and a consistent integrated vision.'
(Kapferer 1997, pp.17,18)

The viewpoint of brands as logos and Kapferer's perspective represent extreme opposites. The former focuses independently on the brand and its individual checklist components, with a dogmatic approach to brand management. The latter looks at the brand from a broader company wide perspective, a whole, comprising of several key component parts that make up the brand identity. de Chernatony (2001) echoes the latter part of Kapferer's above viewpoint as he states that the brand vision is central to the brand identity and is therefore an integral part of overall business strategy, 'the concept of brand identity offers the opportunity to develop the brand's positioning better, and encourages a more strategic approach to brand management'.

Indeed, the concept of brand identity forces managers to think in more strategic terms, with brand positioning a key driver of overall business strategy, yet it must be acknowledged that this translates as managers taking an internal standpoint to brand management. This approach could jeopardise the brand image, (external viewpoint) of the brand, as seen by consumers, as there may be differences in the way that the brand is projected by the company and subsequently perceived by consumers.

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Incidentally, the reverse situation is a threat to the firm. That is where the focus is centered too much upon how others perceive the brand – the brand image. Aaker (1996) coins this one of the ‘brand identity traps’, namely, ‘the brand image trap’. This occurs in businesses where there is a lack of further knowledge, vision and expertise to develop beyond the brand image, thus the ‘brand image *becomes* the brand identity rather than just one input to be considered.’

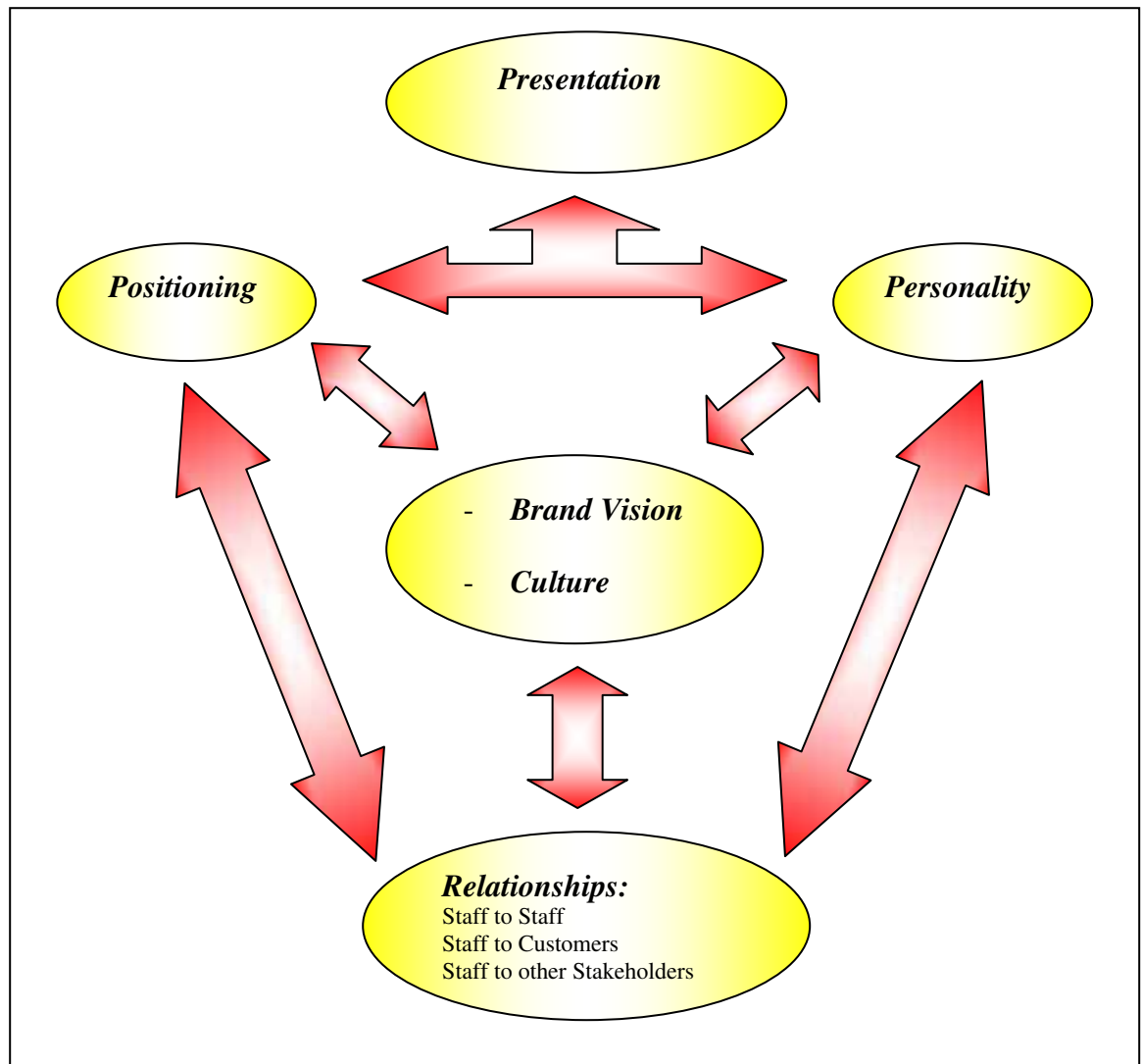
The importance of a strong brand identity is stated again by Aaker (1996). He states that brand identity should have ‘texture and depth’ in order for consumers to develop a strong relationship with the brand. He too discusses the concept of brand identity as a company wide vision claiming that a firm should consider its brand as:

- 1) a product
- 2) an organisation
- 3) a person, and
- 4) a symbol

This contention from Aaker thus re-iterates the belief that the brand as an identity is a structured entity comprised of key components. Incorporated within these components are the visual elements such as the logo, the personality or human like characteristics of the brand, and more tangible features such as the business processes and goals. The above four critical perspectives may not all be relevant to every business. Instead, some or only one may be of importance, yet all must be considered.

The components of brand identity looked at from a macro perspective with relevance to strategic planning and brand positioning can be appreciated from the model shown next.

Figure 1.1: The Components of Brand Identity



Source: Adapted from 'From Brand Vision to Brand Evaluation' (De Chernatony, 2001, pp.37)

The model places particular emphasis on the importance of staff and internal relationships which, as de Chernatony (2001) contends, forms a coherent workforce with a clear understanding about how the brand's functional and emotional values are to be manifested in everyday practices and behaviour. The culture of the company is intricately linked with the culture of the brand; that is the brand identity. All this aids brand strategy apropos positioning as a distinct brand identity makes for easier communication of the brands position to all stakeholders.

1.2.5 Brand as an Image in Consumers' Minds

Brand image is central to the development of brand strategy as it is the perception of the brand in consumers' minds. Brand image is inherently linked to marketing research as a core strategic practice. Managers constantly need to be informed of the consumer's evolving perceptions towards the brand and in particular how it compares vis-à-vis the competition. For management, this means repeatedly exploring the market within which the brand operates. Continuous research into consumer perceptions of the brand in order to gain insight into the consumer brand image is crucial.

One of the earliest references to the importance of brand image was by Boulding (1956) who argued that people do not react to reality, but according to their perception of reality (cited in de Chernatony, 1997). This claim generated the interest in viewing brands from a consumer perspective, and thus companies began to direct strategy as per the brand image. The difficulty in adopting an image definition of the brand is the challenge management face in catering to different consumers' perceptions. As individuals, consumers have different 'filters' which alter their perception of reality. The challenge therefore is to balance the input (supplier based activities) with the output (consumer based perceptions) de Chenatony (1997). As previously discussed, brand image differs from brand identity and it is in the attempt to achieve a balance between the two that management can overcompensate and focus strategy too heavily on one, rendering the strategy ineffective (Aaker, 1996).

Many authors concur that often, market share, brand awareness and short term sales success are the primary goals for brand managers (de Chernatony et al, 1997; Chevron, 1998). Long term strategic brand planning, which is aligned with current theory, can be a complex practice in today's hypercompetitive business environments. The difficulty in successfully matching supplier brand identity with

consumer brand image, positioned to specific consumer segments is put in context in a study by De Chernatony et al (1997) who explored the difference between managers' and consumers' views of brands. They found there to be great disparity amongst perceptions held of brands. Managers had a restrictive interpretation of brands in comparison with consumer brand perceptions. For managers, the brand was merely the 'product plus extra', whereas for consumers, brands act as a shorthand device communicating both functional and complex emotional associations such as trust and satisfaction (de Chernatony et al, 1997).

This contention that brands act as shorthand devices for communication of information is supported by Grimaldi (2004) who states that brands are helpful to consumers. Given the overwhelming streams of data, information and choices beamed to consumers everyday, brands help consumers subconsciously sort the relevant from the irrelevant. Grimaldi declares that it is impossible for the human mind to process such an outpouring of data constantly on a day to day basis and thus branding has become helpful. 'Branding acts like an indexed dictionary in the mind of the buyer. Rather than looking at every product, zapping every TV channel, flipping every page published daily in the press, we seek short cuts to the information we need' (Grimaldi, 2004).

1.2.6 Brand as a Personality

Projecting humanistic characteristics to a brand in order to relate more to consumers is deemed brand personality (Aaker, 1996). To achieve a distinctive and recognisable brand personality is undeniably very difficult. For an arbitrary concept such as 'brand' to emit human like qualities requires great understanding of the brand values, identity and image (Doyle 2002). Viewing the brand as a personality aids managers to achieve the desired position for the brand within given markets, and thus decipher which customers are to be targeted (Kapferer, 2002). That is, managers can, by understanding the personality the brand portrays, implement marketing activities to communicate those specifics of the brand's personality. For example, Marlboro is seen as a very strong, rough, manly brand primarily as a result

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of the advertising campaigns portraying the 'Marlboro Man'. Aaker (1996), when discussing brand personality as a strategic tool, describes brand personality as a metaphor that can help brand strategists by enriching their understanding of people's perceptions of and attitude toward the brand, contributing to a differentiating brand identity, guiding the communication effort and creating brand equity'.

This relevance of viewing brands as personalities is clarified by Zinkan et al (1996; cited in de Chernatony et al; 1997) who states that consumers assess the brand's personality in comparison with other brands and purchase is made based on the personality they wish to project. An example would be the Harley Davidson brand. The name Harley Davidson stands for an attitude, a culture and a lifestyle (Grimaldi, 2004). The personality of the brand is so strong that it has a very loyal following of people who live their lives by the brands values. Their commitment to portraying the same characteristics as the brand is very strong, so much so that the Harley-Davidson symbol brand is the most popular tattoo in the United States (Aaker, 1996). Even in a time when their competitors were collapsing it was the strength of the Harley-Davidson brand personality that saved its products from disappearing (Grimaldi 2004).

Today, communicating brands as personalities has taken a further step, in that managers are now giving brands actual human names, the idea that a brand must become almost like a friend to the consumer (Aaker, 1996). Such a strategy helps the brand gain an association as an acquaintance, one that is already very close to the consumer, the brand thus can act as a friend. Aaker (1996) contends that taking the brand strategy in this direction away from focusing independently on individual brand personality characteristics can provide for more 'scope and flexibility in the implementation of the brand identity'

1.2.7 Brand as Adding Value

To simplify the branding strategy process to a minimum, brands in order to be successful must be;

- Attached to an effective product,
- Have a distinctive identity and
- Deliver added value

(Porter, 1985)

Commonly branding strategy is merely viewed as a ‘subset’ of marketing (Blumenthal, 2002; Grimaldi, 2004) where middle management allocate time for its planning, development and implementation merely on an ad-hoc basis affording little or no time to the subject *per se*. This signifies a chasm between branding theory and management practice and highlights the difficulties in achieving consistent delivery of the three branding success factors stated by Porter.

Broken down, the three branding success factors stated by Porter can be viewed as individual management goals; however effectiveness in all three is needed before total branding success can be achieved. To simplify branding strategy success to three individual elements could be to underestimate the difficulty of successfully achieving each, given different business contexts. Indeed, of the three elements, ensuring that the brand delivers added value is inevitably the most difficult. The creation of added value is where the firm achieves competitive advantage for the brand and differentiation is the way in which the brand seeks to communicate its added values. This may be by differentiating through design, packaging, logos advertising or service for example. Doyle (2001) defines added values as;

‘Elicited feelings of confidence that the brand is of higher quality or more desirable than similar products from competitors’

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Added value is difficult to create unless it is a recurrent business ethic that runs throughout all business processes. Doyle (2001) states that if brands are to create value, four key factors are required;

- There must be an attractive consumer value proposition
- The Brand must be effectively integrated with the firm's other tangible and intangible resources.
- The market economics in which the firm operates must be favourable, i.e. they must permit returns above the cost of capital.
- Finally, management must pursue brand strategies that are directly linked to shareholder value creation.

de Chernatony (2001) states that the brand as 'added value' is a relative concept 'that enables customers to make a purchase on the basis of superiority over competing brands. The difficulty involved in delivering added value is that it must be relative to the competition and to the consumer. That is, a particular functional benefit may well bring added value to management in terms of increased respectability or efficiency within business processes, however, neither of these would be of benefit to the consumer. As a result of this de Chernatony (2001) contends that consumer focused research is undertaken in order to identify added value opportunities for the brand.

Customer centred added value may not always be achieved as a direct result of purchasing a particular brand. The reverse situation may also provide a customer with added value. Grimaldi (2004) explains that it is important therefore for companies to realise that the added *value* of the brand rests inherently within the promise the brand will deliver. Failure on the brand's behalf to deliver the promise will result in no repeat purchase. This is because the brand will prompt a negative reaction from the customer. The customer thus achieves their added value by avoiding the brand.

Moreover, the “time factor” emphasises the difficulty in delivering consistent added value. Post purchase, consumers will evaluate their previous reasons to purchase and will again look for the same added value from the brand in their next purchase decision. Thus, the ‘loyalty effect’ reduces the degree to which the brands added value is evaluated the second time around (Reichheld, 1996). Nevertheless, if the brand’s added value has diminished over time, or is not distinguishable from the competition, the chances of that same customer re-purchasing the brand greatly diminish (de Chernatony, 2001).

1.2.8 Brand as an Evolving Entity

Brands never stay still, they are continually evolving. This is the view held by authors who describe a brand as an adaptive entity which changes accordingly to environmental and managerial influences (de Chernatony and McDonald, 1992: Aaker, 1991). Goodyear (1996) saw brands evolving from different stages from ‘unbranded commodities’ to brands as ‘references’ where the brand name is used as indicator to the consumer. A brand in order to survive today’s competitive business environment must adapt and develop according to the ever changing needs and wants of consumers. Environmental influences such as the rapid pace of technology development make it very difficult for a brand to sustain competitive advantage without adapting to and adopting technology to aid its development.

The brand life cycle describes the constant branding process as a cyclical process of development, maturity and decline. Brands ‘grow old’ and do sometimes ‘die’ (Lehu, 2004). Brands will outlive products according to Hawkinson and Cowking (1993). They state that brands, if controlled and managed efficiently throughout the brand life cycle, can prove valuable assets to the firm for a sustained period of time. It is at this point that they become much more than a message related to a product or service. Moreover, they develop a personality through offering emotional benefits as well as functional. As time progresses the brand comes to stand for a lot more than its original intention when first defined. The brand evolves into a social and political

stance for the company, whereby the company act according to the 'policy' of the brand that has been built (de Chernatony and Dall'olmo Riley, 1997).

Brands, in order to enjoy sustained competitive advantage, must evolve. The Bailey's brand for example has evolved to become a symbol of quality and a youthful enjoyable lifestyle. Baileys have done this by continually adapting the brand to changing environmental influences. For example, sponsorship of ice skating events to enhance the 'Bailey's on ice' image aided the change of the brand to be effectively communicated to consumers. Thus the brands message had evolved from a previously rigid state to a new adaptable, flexible one (www.baileys.com).

Following on from the theme of brands evolving in order to 'stay alive' and sustain competitive advantage, Lehu (2004) writes that lack of managerial attention and rapidly changing business environments can mean the brand 'ages' quickly and could 'die'. He therefore proposes that management should prepare for the possibility of having to rejuvenate the brand. This is not a new concept as Berry (1988) proposed a sequential process for handling this problem and Aaker (1991) also offered seven possible routes for rejuvenation of ageing brands. These were, increased usage, finding new users, entering new markets, repositioning the brand, augmenting the product/service, making existing products obsolete and/or extending the brand. Lehu contends that these options are indeed valid. Yet, the situations within which they can be considered a managerial option may be more complex as a result of today's hyper competitive business environment.

The use of retro marketing can be added to the list of rejuvenation strategies (Lehu, 2004) as it has been successful in revitalising perceived aged brands using the emotional dimension of nostalgia as a powerful tool for consumer response (Ewing and Fowlds, 1995). Such a strategy has as its aim to exemplify the brand as vintage, thus communicating that the brand has a long history and a real authenticity (Lehu, 2004). Examples of this can be found in the sports apparel/ fashion industry such as Lacoste, Fred Perry and Fila and in the automobile sector, Mini and VW Beetle.

These brands have all enjoyed success through the use of nostalgia and the vintage tactic in their marketing communications strategies.

Research conducted by Lehu (2004) in the area of brand evolution and revitalisation strategies has shown some interesting conclusions. In depth interviews with top-level managers and advertising executives resulted in agreement for a decision-making chart for brand managers in order to guide them towards the most appropriate strategic choice(s) for rejuvenating their ageing brand. From this research Lehu contends that there is no unique solution to rejuvenating a brand. The remedies already proposed in existing literature such as by Aaker (1991) and Berry (1988) are not mutually exclusive. Rather, in depth analysis aided by the decision making chart should lead to an *ad hoc* mix of them. 'The rejuvenation question appears not to be a question of some utopian saving model, but more a question of a deep preliminary analysis completed with the most exhaustive list of available solutions. Only then should it allow brand managers to select the appropriate mix for strategically revitalising their brand.' (Lehu, 2004)

1.3 Strategic Management Styles

Central to any discussion on brand strategy are the characteristics of strategic management itself. Johnson et al (2005) state that it is not enough to state that strategic management is just the management of the process of strategic decision making. Moreover, they add the scope of strategic management is greater than that of any one area of operational management. Strategic management encompasses identifying the strategic position of the business, assessing the yield of strategic choices and implementing strategic development processes.

More succinctly, Finlay (2000) outlines the specific characteristics of strategic management as follows;

- Environmental uncertainty
- Long term orientation

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- External orientation
- Qualitative emphasis
- Matching the organisation and its environment
- Transformational as well as incremental change
- Managing relationships

These areas cover all aspects at both the corporate and business strategy level. Finlay (2000) states that the two facets that distinguish strategic management from other types of management, are the overall degree of importance inherent in strategic management and the level of environmental uncertainty to be considered. Finlay (2000) further notes that it is not to say that the above features listed are not present at other levels within an organisation, but only that they aren't present with the same intensity.

To discuss the intricacies of strategic management in full would not be relevant for this research and moreover, would be beyond the scope of this study. Therefore a focus will be placed on the *style* of strategic management that characterises company behaviour and has an influencing effect on all areas of the business. Much of the seminal theory in this area was developed by Mintzberg and Waters (1985) who made an important distinction between deliberate and emergent strategic management styles. These two areas will now be examined in more detail.

1.3.1 Deliberate Strategy

Deliberate strategy centres on the importance of strategic planning. Strategic planning produces an intended strategy, whereby a set of actions is planned to achieve well defined organisational goals; the intention being then to follow the plan through to realisation (Finlay, 2000). According to Mintzberg (1994) strategic planning is often confused with strategic thinking; the former often spoiling strategic thinking by causing managers to confuse real vision with the manipulation of numbers. The

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clarification of the difference between the two is necessary, Mintzberg argues, before companies can truly comprehend what the strategy-making process should be,

'Capturing what the manager learns from all sources (both the soft insights from his or her personal experiences of others throughout the organisation and the hard data from market research and the like) and then synthesizing that learning into a vision of the direction that the business should pursue.'

(Mintzberg, 1994: pp 107)

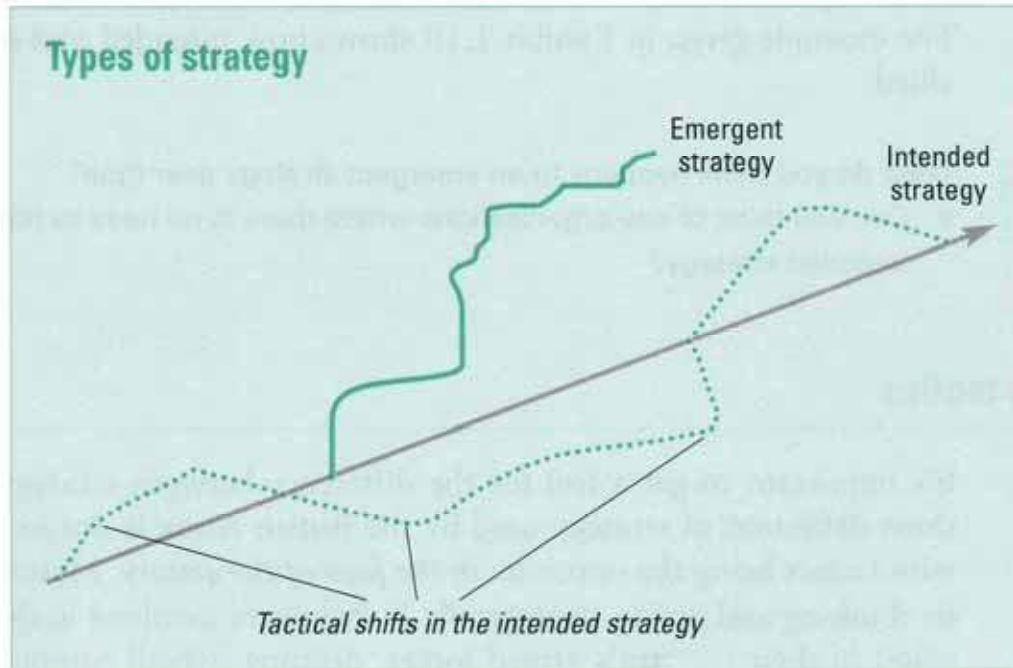
When this process is undertaken, the firm is inherently developing an intended or 'deliberate' strategy. Finlay (2000) notes that, in practice re assessment of the strategy is undertaken from time to time. The 'strategic pathway' is therefore the 'set of policies and plans for attaining the strategic goals' (2000: pp17). Also taken into account is the necessary short term tactical considerations that may enforce a slight deviation from intended strategy. More radically, the intended strategy may become defunct in light of 'insurmountable obstacles' which would thus make it unrealized (Finlay, 2000). The strategy making process could then begin again.

This method of strategy development characterizes the manner in which a company goes about achieving a goal. Mintzberg et al (1985) noted that a company must also recognise that you can never know how the environment will change and therefore the strategy should develop to take this fact into consideration i.e. strategy emerges as conditions constantly change. Finlay (2000) adds that, in this 'emergent' approach, the strategic 'pathway' is seen *after* the sequence of events rather than pre defined beforehand.

According to Mintzberg et al (1985) the complexity and uncertainty of the world means that it is impossible to analyse everything, predict the future and therefore the search for optimal decisions is futile. They argued that a strategy emerges because a person or informal grouping pushes for this to occur. Thus in many cases an emergent strategy is developed from below the top level in an organisation: in contrast, it is often the top level management that develop deliberate strategy (Finlay, 2000).

Finlay (2000) provides a visual example of the two different types of strategy hitherto discussed;

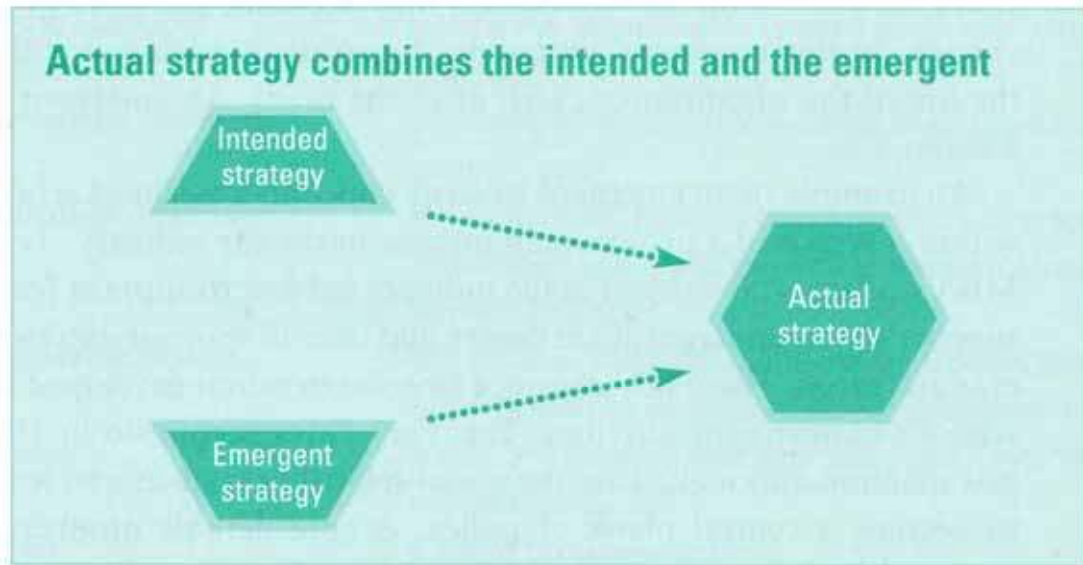
Figure 1.2: Deliberate and Emergent Strategies



(Source: Finlay, P. (2000) *'Strategic Management: An Introduction to Business and Corporate Strategy'*.)

In practice, Finlay (2000) notes that both deliberate and emergent strategies tend to be followed simultaneously and they combine to form the 'actual strategy', which is illustrated below;

Figure 1.3: The 'Actual' Strategy



(Source: Finlay, P. (2000) '*Strategic Management: An Introduction to Business and Corporate Strategy*')

This concludes the discussion on strategic management style. The chapter will now move on to discuss a more focussed element of strategic management in relation to this study, namely brand strategy.

1.4 Brand Strategy

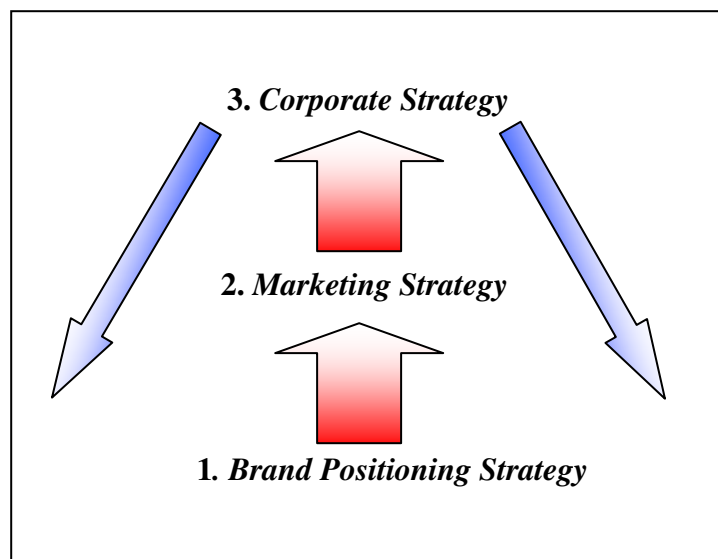
Grimaldi (2004) distinguishes between the role of branding as a strategic driver of the firm and branding as solely an aspect of operational marketing. He states that operational marketing is concerned with all the tasks popularly called *marketing*, including advertising, merchandising and promotional events. Whereas branding strategy is concerned with long-term objectives and planning. It covers trend analyses, customer service processes, intelligence gathering processes and product development.

Brand strategy therefore deeply influences the entire organization, as the company seeks to deliver consistency at every customer contact point (Grimaldi, 2004). 'Although branding is as much art as science, it goes far beyond cute logos and curvy package designs. It is a discipline that has the power to lead and influence; a

discipline that belongs to the long-term strategy of an organization' (Grimaldi, 2004).

Grimaldi (2004) offers a straightforward strategic planning process to illustrate the differing roles of brand, marketing and corporate strategy. He contends that brand positioning strategy is a good first step. This practice involves decision making as to the brand values and brand message and how the brand differentiates vis a vis competition. The marketing strategy is then the second layer, which builds on the brand positioning strategy. This includes sales, distribution, and communication strategies, also driving R&D, production, and HR strategies. As a result, the process helps the organisation to avoid releasing products and services that will not sell.

Figure 1.4: Grimaldi's (2004) Strategic Planning Process



The business and corporate strategy layers then come on the top of the marketing strategy. These strategies deal with financing needs and other resource allocation issues which mark the boundaries of operation for the marketing strategy whilst also ensuring the going-concern nature of the corporation (Grimaldi, 2004).

As previously mentioned, Porter (1985) cites attachment to an effective product, a distinctive identity and delivery of added value as critical for brand success. Many

authors have discussed the intricate complexities which are inherent within each of the three key branding success factors that Porter declares. For example, Schrieber (2002) contends that the two main drivers for making brand decisions are a combination of consumer behaviour elements. These are, the degree of fear, uncertainty and doubt (FUD) at the point of purchase consideration and decision, and the complexity of the buying decision itself (CBD) for consumers. By researching and understanding the degree of FUD and CBD for their own products and services, managers can gain a greater understanding of consumer's perceptions towards their offerings. This information is undoubtedly critical in developing strategy for the brand(s).

A more structured approach to developing and understanding brand strategy is offered by Benson and Kinsella (2004) who propose a five stage process to ensuring branding success. Their generalised methodology can be applied to all branding situations as they commence at the beginning with the declaration of the 'brand promise' and finish at brand membership i.e. total brand loyalty. Benson and Kinsella claim that in order for a brand to graduate from adolescence the firm must excel in their brand management at each stage of the process. The stages are outlined below;

1. The Brand Definition
2. The Awareness Experience
3. The Buying Experience
4. The Using and Service Experience
5. The Membership Experience

The authors highlight stages three and four as critical in the process as these encompass the 'moments of truth' for the brand. Firstly the buying experience. This is where the consumer is already aware of the brand from marketing activities and the brand successfully rests amongst the evoked set in a purchasing decision. It is at

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this stage that prospects can be transformed into customers. It is critical that the brand performs at this stage otherwise the brand life cycle will be very short.

Secondly, the using and service experiences hold the next 'moment of truth' for the brand. If the brand promise (which was created at the brand definition, stage 1) is broken, through for example a faulty product, then faith in the brand inevitably diminishes. Redemption is possible if the brand performs well during stage 4, the service experience, for example, through effective and efficient after sales service. However, if the brand fails to excel at *both* these experiences then a progression to stage five, where the brand enjoys ultimate loyalty, will not happen.

Following on from Benson and Kinsella's (2004) five stage brand building strategy, Aaker (1996) informs us of the many factors that can inhibit the success of such brand strategies. He outlines eight key issues which deter the successful development of a brand, these are;

- Pressure to compete on price,
- Proliferation of competitors,
- Fragmenting markets and media,
- Complex brand strategies and relationships (these can include both internal firm specific relationships with various publics),
- Bias towards changing strategies,
- Bias against innovation,
- Pressure to invest elsewhere
- Short term performance pressures.

Indeed, some of these reasons will carry more weight than others depending on the business context. Yet, the irony, as Aaker informs, is that many of these problems that inhibit the building of strong brands are 'caused by internal forces and biases that are under the control of the organisation'.

Providing brands can overcome such problems as Aaker (1996) outlines, and for a sustained period of time, they can begin to develop a 'brand momentum' (Benson and Kinsella, 2004). This momentum can help deliver high brand awareness scores among target customers. It can also bring about positive publicity which supports paid marketing efforts. The brand momentum cannot be dictated as it occurs in the minds of consumers therefore it can only be managed. This is done by careful measurement of the effectiveness and responsiveness of consumers to marketing communications and how the brand continually performs vis-à-vis competitors. Benson and Kinsella (2004) argue that momentum can be used to the brands advantage by directing momentum to align with the evolving needs of target customers. A hypothetical example would be where a firm continually researches consumer trends so that the brand(s) can adapt and respond in kind to changing consumer habits, by providing innovative new products to keep the brand momentum going. Failure to do this would result in marketing strategies being pushed for extended periods of time and only changing when having to react to consumers demands. Therefore the firm is acting reactively rather than pro actively.

1.4.1 Brand Positioning

The process to achieving a great brand begins with an assessment of the brand's 'audience' and the position of the brand in those people's minds (Grimaldi, 2004). Brand positioning provides for clarity of thought regarding consumer brand perceptions and thus requires focused marketing operations. The challenge for brand managers is to strike a chord in consumer's minds which makes their brand appear more memorable and noticeable than the competition, thus great branding is rooted in psycho-sociology (Grimaldi, 2004). This is where the role of brand positioning becomes extremely important, 'once the marketing target is mapped, great branding seeks to focus on one or two attributes in the mind of that customer. They should be "hot buttons" that will trigger the positive response being sought. The brand positioning strategy is then ready to be delivered at each contact point with the

customer: product, advertising, retail, website, merchandising, toll-free hotline, PR, and recruiting' (Grimaldi, 2004).

A product or service must be clearly identifiable from a consumer's point of view as adopting a particular stance in a given market. Marketing operations should not therefore occur on an ad hoc basis but be consistent and relevant. A specific standpoint is chosen for the brand in an attempt to differentiate from the competition i.e. the brand could be chosen to be seen as 'luxury' or 'economy' for example. The marketing elements such as advertising and promotion subsequently provide support for the brand position, re-enforcing the brand's message at every customer contact point. This, over time, builds brand equity and recognition (Aaker, 1996). Coca Cola have substantial brand equity as they have communicated their brand position consistently for over one hundred years, they are known as a quality, fun, family brand.

Aaker (2002) states that a clear brand identity and position creates value by providing extensive options improve brand memorability and overall provide a competitive advantage. de Chernatony (2002) declares that, positioning 'is a process for ensuring that a brand can fight through the noise in a market and enables the brand to occupy a distinct, meaningful and valued place in target customers' minds. He contends that brevity is inherent within the act of positioning itself. It therefore aids quick reference in consumers' minds enabling them to 'spot' the brand easily. However, Aaker (2002) warns that the short brand position message can often become distorted through the complex marketing communications process, rendering it ineffective. Many different companies are involved in delivering the brand position message through marketing for example, promotions, packaging, advertising, direct marketing, event sponsorship, in-store display, channel management, and customer relations. Often these functions of marketing are outsourced, thus if there is even a slight confusion as to the position the brand is to take, the message registered in consumer's minds can differ greatly from that intended by the firm.

1.4.2 The Benefits of Brand Positioning

Staff and top management benefit from positioning the brand. The actual activity of aligning the brand's functional benefits to just a few key attributes helps clarify the essence of the brand, thus ensuring a general coherent understanding of the brand position amongst all staff (de Chernatony (2002). Aaker (2002) builds upon this view, stating that a brand position guides and enhances brand strategy providing meaning and focus to the organisation as a whole.

Brand positioning allows for marketing operations to be focused rather than sporadic in nature. The benefits of this are reaped financially because, well planned streamlined marketing operations will generally have a greater cost saving effect than unorganised, irrelevant marketing. Grimaldi (2004) promotes the financial benefits of strategic brand positioning by stating that it can have considerable impact on revenue streams without the need for big budgets.

Revitalisation of revenue streams can be achieved by *re-positioning* the brand also. Aaker (1991) explains that often, a positioning strategy may become negatively associated or may just wear out; the brand can appear exhausted amongst the target segment. This will inevitably affect revenue streams. A re-positioning strategy will breathe new life into the brand allowing it to generate new growth from new or existing target segments. Thus the ability to *re-position* can be deemed a benefit of positioning itself.

1.4.3 Re-positioning the Brand

Doyle (2002) develops on Aaker's reasons a brand re-positioning strategy may be needed. He states that a brand may be inadequately positioned for three reasons;

- Initial segment is too small, declining, too competitive or otherwise unprofitable

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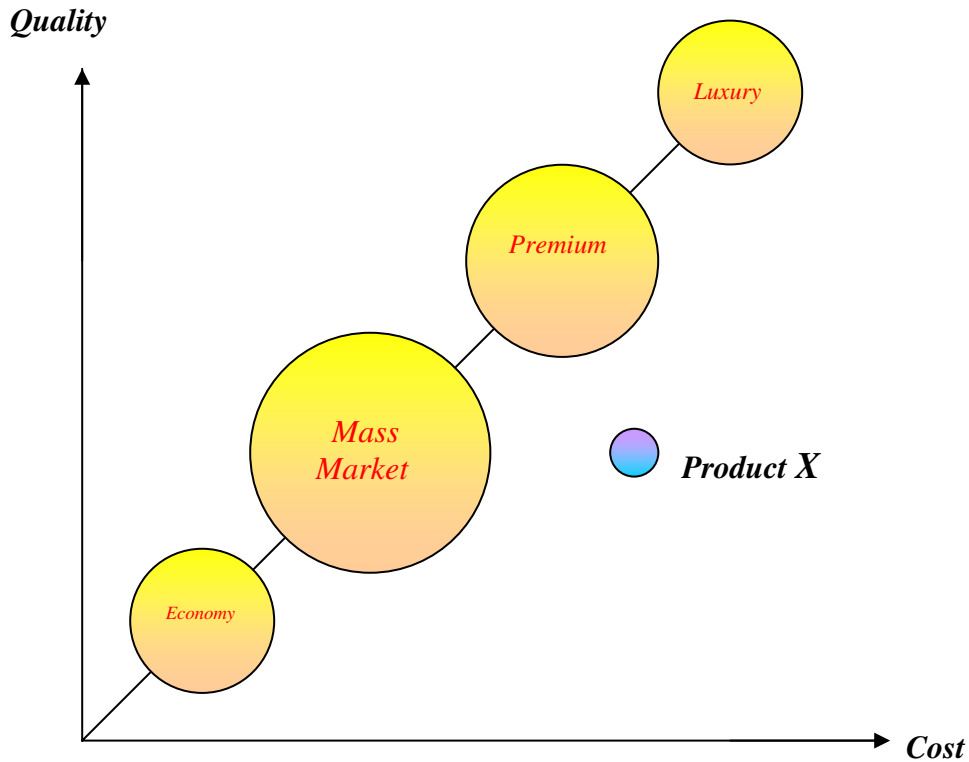
- The quality and features that the brand offers do not appeal to targeted segments, they may have become obsolete.
- Product costs may become too high to allow for competitive pricing (possibly as a result of exterior environmental changes)

Doyle (2002) proposes seven options for brand repositioning strategy. The first two options being 'physical' repositioning of the brand, the remaining options deemed 'psychological' repositioning. Indeed for any option to have effect, it must be supported by structured, well planned marketing communications. Doyle's (2002) seven brand re-positioning strategies are outlined as follows;

- *Introduce a new brand*
- *Change the existing brand*
- *Alter beliefs about the brand*
- *Alter beliefs about competitive brands*
- *Alter attribute importance weights*
- *Introduce new or neglected attributes*
- *Find a new market segment*

As can be seen from the graph below brand x is inadequately positioned. The above seven repositioning options would be available to the firm in this particular situation. Indeed, each business case is different. Doyle proposes these repositioning options as general and not as a 'cookbook' solution to every individual business situation. The inadequate positioning of brand X can be seen below in Figure 1.5.

Figure 1.5: Inadequate Positioning



(Source: Doyle, P. (2002) Marketing Management and Strategy. Hemel Hempstead. Prentice Hall)

In tandem with the support in literature for repositioning as a strategy for re-igniting dwindled brand potential, Grimaldi (2002) offers a hybrid of positioning and repositioning, simply: a (re-) focused brand positioning strategy. He declares that this is not re-positioning per se, but a back-to-basics exercise which involves developing a research programme facilitated by selected staff who possess cross discipline experience in order to inspire new life into the brand. This involves delving into the ideas, and processes that made the brand successful in the first place. By analysing the psycho-sociological aspects of the consumer brand relationship and re aligning the brand position with consumer perceptions, the firm can influence consumer behaviour once again. An example of this process in action would be Lucozade's complete re-focus of brand strategy whereby they repositioned their brand from a medicinally associated drink to a sports energy drink.

1.4.4 Brand Character Statement

As a means of developing a more focused approach to brand strategy, many theorists advocate the construction of a statement which defines, shapes and communicates the brand message to all company stakeholders. Within the literature different titles have been assigned to such a statement, but essentially there is general agreement amongst authors that the practice of devising a statement provides for good brand strategy development.

Chevron (1998) proposes that the character of a brand should be expressed like the character of an individual. His 'Delphi Process', which is reference to an inscription in the Apollo temple in Delphi which reads 'know thyself', is a strategic branding methodology incorporating development of a Brand Character Statement (BCS). A BCS as Chevron (1998) names it ensures that a brand's values, personality and identity are conveyed in a written message to all. Chevron advocates the use of the BCS as the base for strategy development. The BCS therefore is a cornerstone of a business that management can refer to in order to direct and shape strategy. If a particular idea does not fit with the character of the brand, then it shouldn't be actioned. Chevron warns that business practices that conflict with a brand's character emit confusing messages to consumers and employees, and thus weaken the strength of the brand image.

The benefit of devising such a statement is brand differentiation. By spurring thought processes which force management to think deeply about the brand's values and message, the brand's character forms. Grimaldi (2004) importantly warns of the possibility of devising a statement which in fact doesn't fully differentiate the brand;

'Eventually, it is easy to test the differentiation of your brand positioning statement: If the statement still makes sense when you replace your brand with the name of a competitor, your positioning strategy lacks differentiation and should be sent back to the drawing board.' (Grimaldi, 2004).

Here Grimaldi stresses the importance of brand differentiation. An example of a firm who have adopted this strategy of developing a brand character statement would be Ben & Jerry's. Their BCS drives all aspects of their marketing and corporate strategy meaning complete alignment of corporate and brand values.

1.4.5 Brand Extensions

Extending the attributes of an already successful brand is commonplace within marketing activity. Often, companies leverage the success gained from an already established brand and use its reputation, awareness and values as a springboard for launching new products. The brand image that has been accrued from the already established brand can be manipulated and transferred into new product categories; Doyle (2002) contends that the popularity of brand and line extensions has grown for three reasons:

- 1) The high failure rate of new products. Attaching a successful brand name to a new product reduces the buyer's perceived risk and reduces the risk of the product failing.
- 2) Building a completely new brand is expensive.
- 3) Companies look to achieve economies of scale and scope in concentrating resources on one umbrella brand.

Obviously there is a degree of strategic fit needed, the brand must be able to 'carry off' the extension, that is, the brand values must be transferable. For example Caterpillar, who originally made machinery, brought their brand values of durability, strength, robustness to other products such as footwear and clothing (Aaker, 1996). Unrelated brand extension is a regular practice and often companies find success using this strategy. For example, Virgin continually diversify into unrelated product and service areas. Originally a media business, they now offer financial services, soft drinks, mobile telephony and rail services. However, they manage to successfully extend the brand values across these product categories because their core brand message still applies.

Extending the brand is a good method of brand and company growth. Doyle (2002) notes that improving brand performance involves deciding whether to extend the brand or create new, individual brand names. The right approach depends upon the similarity of the brands positioning strategies.

In this section brand extension strategies will be discussed. There are different variations of brand extension strategy. Aaker (1996) offers a variety of suggestions for extending the brand. The most common being line extensions.

1.4.6 Line Extensions

Line extensions are new versions of a product but remaining in the same product class. A typical example would be Hellman's 'light version' of mayonnaise. Therefore, new flavours, new sizes and new packaging options are all line extensions Aaker (1996). Line extension brings many benefits to the firm if successful. The firm achieves greater market growth and increase in revenue, also the brand will now appeal to a larger user base. For example, when a food manufacturer introduces a reduced or low calorie version of an original food product this subsequently opens up contact with a new consumer group who were previously excluded. Aaker (1996) contends that often a line extension can revitalize a brand by adding a new dimension to the brand image. A recent example would be the introduction of Vanilla Coke and Diet Coke Lemon which helped add 'variation, vitality and visibility' to the Coke image.

There can also be difficulties associated with launching a line extension. Doyle (2002) states that a new product, even if backed by a successful brand, must still get sufficient marketing support especially during its launch phase. He also warns that a brand may have been successful in a particular market previously, yet, if the new line extension brand is launched into a completely new target market, these consumers may not value the associations and image of the original brand. It will therefore be likely to fail.

1.4.7 Umbrella Branding

Doyle (2002) points out some negative features of brand extension strategies. He warns that using umbrella branding as a brand extension strategy will not necessarily guarantee the brands to be failsafe. A product will fail even if it is backed by a strong umbrella brand, if it does not offer a differential advantage over competition. Furthermore, Doyle contends that excessively extending a brand can weaken the brands quality image. This was the case for Cadbury's association with quality chocolate when they extended the brand into mashed potato and dried milk product categories.

1.4.8 Range Branding

Range branding differs from brand extensions in that range brands are developed with future brand development strategy in mind. Aaker (1996) states that range brand strategy is to develop a vision of the identity that the brand will possess, and the product lines that the brand will support either as an endorser or as a driver brand. Brand extensions are geared towards maximising the current brand image, whereas a range brand vision can involve development of the brand into a different future identity.

In order to maximize benefit from the range brand – product brand relationship, only products that will support the range brand, and similarly, only products that the range brand will be able to support, must be selected i.e there must be synergy (Doyle 2002).

For brands to successfully grow, whether it is through unrelated brand extension, line extension, umbrella branding or creating a range brand, there must also be a distinct brand identity. This identity derives from the original product setting. Aaker (1996) states that inherent within the identity are a value proposition and personality that can 'affect user choice and satisfaction across product categories. This identity

needs to be powerful and relevant, yet flexible enough to work across different contexts.’

1.4.9 Co-Branding

Rather than creating individual brands or extending the scope and range of an existing successful brand, management can also improve brand performance through strategic co-branding. That is using another company’s brand in a cooperation effort to offer a differential advantage and enhance both brand identities. An example of this would be Waterford Crystal and John Rocha. Waterford Crystal wanted to target a new customer segment, the mid to twenties to mid thirties age group. However the brand was seen as being associated with an older age group than this category. In order to successfully target these consumers Waterford Crystal therefore co-branded a range of products with the John Rocha whose brand was viewed as youthful creative and stylish (www.fantasy-ireland.com/waterford-crystal). Waterford Crystal successfully used another company’s brand in a cooperation effort to offer a differential advantage and thus enhancing both brand identities.

1.5 Conclusion

This chapter has examined the literature with reference to the different aspects of a brand, the broad area of strategic management styles and also strategic brand management. From this, the author will now move on to discuss the topic of brand building with reference to building an international, and moreover, a global, brand.

Chapter Two

**International
And Global Branding**

“A desk is a very dangerous place from which to view the world”

- John le Carré - Novelist

2.1 Introduction

The purpose of this chapter is to review and discuss the literature with regards to building global brands and global brand strategy. This chapter aims to develop a deeper knowledge of the subject area and to gain insight into if and how locally successful Irish brands may develop a global brand strategy

In today's hyper competitive environment brands have to work a lot harder to succeed (Bennet & Blythe, 2002). The idea that the global firm which produced standardised products would dominate, as opposed to adaptation methods, was boldly stated by Levitt (1983) in his seminal essay, 'the Globalisation of Markets'. Subsequent to the propositions that consumer values, needs and tastes would converge, spurred on by technological evolution the eighties was the era of the global brand (Quelch, 1999). Many brands, in particular U.S brands, enjoyed the successes that followed from reeling out standardised products to consumers in new markets who were desperate for a taste of western lifestyle (Quelch, 2003). Such brands as McDonalds, Levi's and Marlboro characterised this rapid success.

However, the days of speedy brand development, were brought sharply to a halt by the recession of the mid nineties. Mounting anti-American sentiment formed the backbone of a consumer backlash against global brands (Quelch, 2003; Klein, 2001). The aggressive penetration of global markets by American brands was visible, increasingly it seemed that 'globalisation was actually Americanisation' (Quelch, 2003). Alongside this, consumers purchased cheaper 'own brand' products and services as they could not justify the little perceived difference in quality with a big difference in price. Brands therefore failed to continue their success, which was so prevalent in the eighties. The standardisation bandwagon which so many companies

hastily boarded, crashed and the failures are well documented in literature (Ghemawat, 2001; Kapferer, 2002; Melewar and Walker, 2002; Holt et al 2004). So too are the key reasons for failure such as firms' 'least common denominator thinking' (Holt et al, 2004) excess standardisation, ignoring the differences between the extent of the brands and the product's development in different markets, and imposing total headquarters control (Quelch, 1999).

The belief that global brands, offering high quality/low price ratios, would be preferred by consumers over the products/brands they were used to, was subsequent to the belief that economic development would lead to converging needs and tastes of consumers (Levitt, 1983). De Mooij (2002) contends however that there was little empirical evidence to support this belief. Consumer behaviour is in fact diverse and consumers are not rational human beings, they will not in all cases prefer lower priced products over those that they are used to (Kotler, 1986; cited in De Mooij, 2002). Therefore, it could be argued that Global brands have hitherto failed to deliver on their promise (Quelch, 1999; De Mooij, 2002) and have had to evolve in tandem with economic conditions to be more in touch with consumer needs and wants. This meant striking a balance between standardisation and local adaptation (Holt et al, 2004). The debate with regards to these polar opposites of global branding strategy still rages and will be addressed in more detail later in the chapter.

In order to understand the area of global brands and global brand strategy in more detail, the author will begin by reviewing several authors definitions of the term 'global brand'.

2.2 Defining the Term 'Global Brand'

Before conducting a review of the literature, it is necessary to understand the relevant terminology relating to the area being studied. There is a marked tendency in global branding literature for loose definition; terminology surrounding global branding is vague. Terms such as global branding, global product and global

marketing are used interchangeably and often in an inappropriate manner (Rosen et al, 1987). With this in mind, we can endeavour to understand how a 'global brand' is defined and how it might differentiate from an international brand.

Van Gelder (2004) defines global brands as;

'Brands that are available across multiple geographies, without setting any specific lower limit or any continental requirements. The revenue these brands generate also does not matter, nor the manner in which they present themselves in each society.'
(Van Gelder, 2004)

Here, Van Gelder is describing global brands in very loose terms. Moreover, from this definition it can be stated that global brands are defined primarily according to their geographic reach, with some brands construed as having greater degrees of 'globalness' depending on the varying number of different markets they operate in. Yet there is no reference to any form of strategy which these brands may adopt. The definition is solely based on geography.

Schuiling and Kapferer (2003) take a more structured viewpoint when describing global brand terminology. They define a 'global brand' in the context of it being the third and largest type of brand above an 'international brand' and then a local brand. They state;

'We define local Brand(s) as brands that exist in one country or in a limited geographical area. We define international brands as brands that have globalised elements of the marketing strategy or mix. In a more radical sense, global brands are defined as brands that use the same marketing strategy and mix in all target markets.' Schuiling and Kapferer (2003)

In their distinction of the three different types of brands, Schuiling and Kapferer work from Wolfe's (1991, cited in Schuiling and Kapferer, 2003) definition of local brands and Levitt's (1983) definition of global brands. Interestingly, they base the

distinction of local brands on geographical existence, and international brands more so on elements of their operations. Schuiling and Kapferer's definition of global brands follows Levitt's (1983) seminal opinion of global brands as brands that standardise their marketing strategy and mix to all target consumers. Holt et al (2004) also concur that, from a commonsense standpoint, Levitt's view of global branding 'was only about saving costs and ensuring consistent customer communication'.

A more balanced definition is proposed by Blythe and Bennett (2002). They define the practice of global branding as using 'the same brand name and promoting the same brand image in all countries in which the company does business'. They go on to state that this definition conflicts with the practice of having a separate brand identity for the same product in each national market. They cite as examples, the Gold Blend sub brand of the master brand Nescafé, which sells as 'Oro' in Denmark and 'Taster's Choice' in the United States.

Moreover, Blythe and Bennett (2002) contend that slight differentiation in actual *products* to which a brand name and image refers can still be deemed global brands, as this may still lead to economies of scale in advertising and other forms of promotion across markets. An example of this would be Coca-Cola, whose product ingredients are modified according to national tastes but the brand is still deemed 'global' by nature of having the same name in all countries within which the company operates (Pana and Oldfield, 1999 cited in Hollenssen, 2001).

Morgan (2004) adopts a more generalised stance to defining exactly what a global brand is. She states the requirements for determining a global brand as follows;

'If your brand(s) is available in major markets and some minor ones (keeping in mind that corporations have different financial parameters for defining global brands) and is perceived as being universal by your consumers, then you're competing globally. If not, you are a global wannabe'.

This opinion is supported by Quelch (1999) who states that global brands, in order to justify their global title; must have a geographical balance in sales;

‘There can be no global brand that is extremely strong in Europe, for example, but hardly known in Asia. A global brand has to enjoy a threshold level of awareness and recognition all over the world’ (Quelch, 1999).

2.2.1 The Interbrand Criteria

Interbrand’s distinguished list of the top 100 brands has a specific list of criteria that brands must adhere to if they are to be considered. Once a list of brands has been compiled then they are valued according to Interbrand’s specific valuation methods. These are fundamentally based upon calculating a dollar value for each brand using publically available data, projected profits and provision for variables such as market leadership (<http://www.interbrand.com>, 2005). The important factor relating to this study is the criteria which Interbrand set for brands to be included in their research and according to Interbrand, these brands can thus be labelled ‘Global Brands’. Interbrand’s official stance with regard to deciding which brands are eligible for inclusion in their ‘Best Global Brands’ research is as follows;

‘To qualify, the brands must have sales of greater than US\$1 billion. They also have to be global in nature, meaning they must derive at least a third of their sales from outside their home countries and have significant distribution throughout the Americas, Europe and Asia. Finally, they must have publicly available marketing and financial data’ (Swystun, 2005: p1)

In a slightly different justification of the selection criteria, Interbrand also state that,

‘...The brand must also have a visible external market presence. A global brand is one that is available in many nations and, though it may differ from country to country, the local versions have common values and a similar identity. The brand’s

positioning, advertising strategy, personality, look and feel are, in most respects, the same but allow for regional customisation. What remains consistent market-to-market are the values communicated and delivered by the brand.’ (Swystun et al, 2005: p 2; www.interbrand.com)

With regard to the degree of adaptation or customisation of the brand, Interbrand further clarify that here, the ‘70/30’ principle applies. They state that this rule of thumb relates to that seventy percent of the brand remaining absolutely consistent, with thirty percent reflecting flexibility market to market (Swystun et al, 2005)

The Interbrand definition of a Global brand takes into account many factors, yet some are still debatable. For example, Interbrand state that a brand must operate in many nations and have significant distribution in Europe, Asia and the Americas. Yet one could ask, what number of nations constitutes ‘many’? Also, what determines the significance of the brand’s distribution levels? Upshaw and Taylor (2000) are similarly ambiguous when defining global brands, they state that a brand can be considered global when it operates in ‘most developed markets’, worldwide.

If one is to take a literal definition of the word ‘global’ from the Collins English dictionary, where global is defined as ‘of, relating to or involving the entire world’, then according to this definition, it is doubtful that there would be many truly global brands that are present in every country. However, if this definition is taken from the perspective of brand presence in every *continent* of the world, then indeed, it can be said that the term ‘global brand’ can be justified.

2.2.2 Definition for use in this study

As can be seen from the varying range of definitions, the concept of a global brand is somewhat blurred and even deceptive (Usunier and Lee, 2005). Referring back to Levitt’s seminal discussion on global brands, one can refute Levitt’s view of the global company, which is often construed as the global brand (Holt et al, 2004), as

not reflecting, in the main, today's business contexts. Global firms have had to evolve from a rigid standardised strategy for their global brands to a more localised approach whereby the brand is globally represented via name and strategy, but in many cases, the frontline elements of its marketing mix are customised to local consumer tastes or conditions (de Chernatony et al, 1995; Doyle, 2002; Holt et al, 2004; Hellensson, 2004).

To take an understanding of the term 'global brand' as solely geographical or, solely focusing on elements of marketing strategy and mix would be to limit the whole understanding of the term and all it accounts for. The recent literature suggests that global brands cannot be so exact as to be categorised solely by either levels of geographical reach nor degrees of standardisation. Therefore, the author will adopt a more general standpoint to defining the term 'global brand' attempting to include reference to both geographical reach and strategic brand / marketing approach. Consideration is given to the different definitions of 'global brand'. For clarification of the term for use within this study, the author proposes a definition of the term 'global brand' attempting to take into account the important aspects relevant to the literature and to the context of this study;

'A global brand is a brand that operates in and outside the scope of its home market, in multiple international markets, and has brand recognition in the developed markets of each continent worldwide. The brand has balanced geographic sales of over \$1 billion and the brand name which is attached to the product is the same in all countries in which the firm operates. The brand has a globally underpinned strategy, but where necessary, accommodates local adaptation of that strategy, which is specific to national conditions, adhering to at least a 70/30 ratio.'

2.2.3 Distinguishing 'Global' from 'International'

In differentiating a global brand from an international brand, reference can be made to the Collins English dictionary, which defines 'international' as 'of, relating to, or

involving two or more nations'. Therefore, by referring to an amalgamation of the literature on global brand definitions, it can be stated that an international brand differs distinctly from a global brand.

2.3 Reasons for Growth of the Global Brand

For many companies today, the move toward developing global growth strategies is becoming more of a necessity rather than a choice. There are a number of factors which have acted as drivers for the growth in importance placed upon developing a globally successful brand. To be successful in a home market is no longer the ultimate achievement for firms, as geographical boundaries are no longer a wholly valid method of consumer segmentation (Doyle, 2002). By way of multi-media communication, firms can thus target multi national consumer segments.

The factors that can be defined as the key reasons for the growth in global branding as are listed below;

2.3.1 Pressure to Reduce Costs

Pressure has been on companies to reduce costs and become more efficient in their operations in order to compete on a global scale. In fact, this was predicted by Buzzell (1968) in his seminal article 'Can you Standardise Multinational Marketing?', where he stated increased standardisation would be a result of cost savings, consistency with customers, transfer of ideas and improved planning and control.

2.3.2 The Need to Innovate More Quickly

The pressure for companies to innovate more quickly can be attributed to the evolution of the business environment where companies in order to survive, have to

accelerate the speed with which they innovate internationally (Doyle, 2002). Undoubtedly the need to innovate more quickly is underpinned by the rapid evolution of technology. Companies who fail to innovate quickly and keep up with the pace of technological change will no doubt be left behind chasing the pack.

2.3.3 Convergence of Consumer Tastes and Trends

The trend of converging consumer tastes was thought to bring about a global, standardised approach to marketing operated from centralised headquarters (Levitt, 1983). Indeed, it cannot be denied that the socio-economic environment has witnessed a growing trend of consumer convergence, but not to such a degree that a brand can be marketed successfully by using a “one size fits all” approach for all markets (Holt et al, 2003, De Mooij, 2002; de Chernatony et al, 1995). Nevertheless, it is widely accepted within the literature that technology has been the driving force underpinning the homogeneity of consumer tastes and trends (Buzzell, 1968; Levitt, 1983; Kapferer, 2002) and that the world is indeed ‘becoming smaller’, thus a global foundation allows consumers to easily find the brand they want wherever they are (Morgan, 2004). In addition, Bennett and Blythe (2002) note the convergence in consumer lifestyles as a reason for this growth in global branding. This point is elaborated by the opinion that as the homogeneity of consumer lifestyles has increased so too has the nature of retailing itself and distribution systems throughout the world (Douglas et al, 2001).

It could be stated that the convergence of consumer tastes and trends is personified through the expectation levels consumers have of brands today. Consumers, although tolerant of different local executions of the brand, still expect the core concept of a global brand to be the same whether at home or in any other market (de Chernatony et al, 1995). For example, the same core menu of burger fries and soft drink is expected wherever you see the yellow “M” of the McDonalds sign.

One factor that cannot be ignored and which supports the argument for a convergence of consumer tastes and trends would be the growing trend of consumer mobility. The cost of travel is reducing exponentially. Consumers in general have a greater financial wealth to fund travel and as a result, the previously sporadic nature of their travel is now developing more of a regular pattern (Douglas et al, 2001). Whether this has been as a result of travel for leisure, or for work, the increase in cross border mobility has facilitated transfer of ideas from one market to the next (Quelch, 1999). Thus, the increased permeability between markets provides for homogeneity of consumer wants, tastes and trends. As consumers travel more often and further afield, the more they demand the same products or at least similar to the products they know and are used to from their home markets (Quelch, 1999).

From the above discussion it can be said that there is general agreement that there has been a convergence of tastes and trends over the past twenty years. Nevertheless, some authors strongly believe that trends may have homogenised, but consumer demand hasn't. Frost (2005) contends Levitt's belief by stating that the globalisation of consumer demand has *failed* to come about, and attempts to override local preferences with global brands have been far less successful than Levitt predicted. Frost (2005) asserts that for the time being, there is no evidence that consumers are going to stop valuing brands that appeal to their local heritage. Other commentators such as De Mooij (2002) support this view.

2.4 Characteristics of a Global Brand

In order to develop further knowledge of the global brand concept, the specific characteristics of a global brand will now be examined. Quelch (1999) notes that, apart from the obvious fact that they adhere to one of the fundamental guidelines for developing a brand, i.e. that they are easy to pronounce (Sony, Dell, Kodak for example), they also have seven other common features:

- *Global brands are inherently strong in their home market.*

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- *Geographical balance* – They will have at a minimum, a level of awareness, recognition and sales all over the world. For example a global brand will not be extremely strong in Europe but unheard of in Asia.
- *Address similar consumer needs worldwide* - notwithstanding slight local variations. For example Coca Cola meets the same widely held human needs but with slight product or packaging variations across markets.
- *Consistent positioning for the brand is held the same across all markets* - Melewar and Walker (2002) cite the BBC as an example of constant brand consistency. They state that regardless of where in the world one is, sight or sound of the BBC brand evokes a sense of no nonsense quality, the primary success of the BBC brand is its consistency. Furthermore, to achieve such a level of public recognition requires a ‘considerable cumulative advertising expenditure’ (Usunier and Lee, 2005)
- *Consumers value the country of origin* - often a country’s culture is embedded within the values of the brand (Quelch, 1999; Upshaw and Taylor, 2001, Melewar and Walker, 2002; Usunier and Lee 2005) and it is also thought that country of origin has an impact on consumer’s evaluations of product quality (Schuiling and Kapferer, 2003; Hollensen, 2001). But for a brand to be globally accepted consumers must value the brand’s country of origin in the first place (Quelch, 1999). Quite often consumers associate certain countries with expertise in a particular field, perfumes from France, car companies from Germany such as Volkswagen (Upshaw and Taylor, 2001) and electronics brands from Japan such as Sony to cite just a few.
- *Product category focus* – generally a global brand will have limited product range. Quelch (1999) cites an exception to this rule, Sony, whose product range is vast. Yet, they have managed to concentrate their global brand

image on being a consumer small electronics expert, thus exploiting a single expertise rather than various products. The main thrust of Quelch's argument is that companies which are diversified and spread across many product categories will find it difficult to build a single globally strong brand.

- *Corporate name* – In most cases for the world's top brands, the product name is the same as the corporate name, McDonalds, Coca Cola, IBM, Disney, Sony, Kodak for example (Quelch, 1999). It is therefore key to note that no product name is bigger than the corporate brand, thus stressing the importance of corporate brand building as a management objective (de Chernatony & Dall'Olmo Riley, 1998) which was discussed in Chapter One of this study. Furthermore, building global corporate brands provides for increased market efficiency, reduced advertising and inventory costs and convenient identification for people travelling internationally (Onkvist and Shaw, 1989).

Of course global corporate brand building favours firms that put all of their resources into one or few brand names, but this is not the case for many multinational companies such as Procter and Gamble or Unilever. It could be said that these two firms would never be able to develop a single global brand under which everything from detergents to food could be sold as their product ranges are so vast (Quelch, 1999).

The commonalities mentioned above can be considered to be the key distinguishing features for identifying if a brand can be considered truly global. These commonalities further develop the knowledge and understanding of what actually defines and determines a global brand.

A key distinguishing feature of global brands to note is postulated by Schuiling and Kapferer (2003). This feature concerns the actual strategic line management of the brand. They note that global companies usually use centralised strategies to develop

their powerful global brands. As a result, such companies have less intimate relationships with local markets and take a long time to react to problems when they arise (Schuiling and Kapferer, 2003). Doyle (2002) takes this theory further by noting that this commonality in strategic operations amongst global companies manifests itself in the way that they standardise the 'back office' functions of strategy such as research and development and basic brand features (design packaging, logo and name). But, it is the 'front line' operations such as positioning, advertising and promotion that mediate the level of standardisation possible; as culture, attitudes, economics and language impinge on the brand's values and make standardisation more difficult (Doyle, 2002). This payoff between standardisation and adaptation of the brand will be discussed in more detail later in the chapter. For now, the author will examine first the benefits of global branding and subsequently the pitfalls.

2.5 Benefits of Global Branding

The benefits of global branding are well documented within the literature. In practice, the benefits are clearly understood by many firms too, by the very fact that operating on an international scale has become a strategic objective for the growth of any already domestically successful company today. The main benefits of developing a global brand are generally considered to be growth of the firm, generation of economies of scale and scope through reduced overall costs (in R&D, manufacturing and logistics), wider global presence and brand awareness (Doyle, 2002; Schuiling and Kapferer, 2003). The shift to a global brand name also provides savings in packaging and communications (Buzzell, 1968; Levitt, 1983; Schuiling and Kapferer, 2003) and the opportunity to offer 'spin-offs' in international brand leverage as more and more consumers are seeing the same brands in different countries (Doyle, 2002). Importantly, Schuiling and Kapferer (2003) note the speed to market that global brands can offer for international companies, particularly for new product initiatives. They contend that new products in the fast moving

consumer goods sector (fmcg) can be launched on a regional or global scale within 12 to 18 months, which is a much quicker time cycle than if brand strategies were not standardised (Schuiling and Kapferer, 2003).

To clarify some of the more key benefits and to explore them in more detail, the author will draw upon the four main benefits of global branding outlined by Quelch (1999). The author adopts these four headings as a basis for discussion and exploration into the area as they cover much of the disparate strands of discussion within the literature. The four main benefits of global branding are therefore as follows;

2.5.1 Added Value for Consumers

The concept of brand added values was discussed at length in the first chapter of this study. In this section added values in terms of global brands will be explored, as introducing the element of 'globalness' will be more conducive to discussion.

Consumer's perceptions of globalness, or their perceived brand globalness (PBG), has been found to significantly influence purchase behaviour. Global brands by their very nature of having a global presence are deemed, by consumers, to offer greater value than domestic brands, in terms of product quality (Holt et al, 2004; Steenkamp et al, 2003) providing status and prestige and providing membership of a global consumer culture (Steenkamp et al, 2003; cited in Usunier and Lee, 2005). Having a global brand was also shown to be more of a signifier of quality than country of origin (Holt et el, 2004). This in particular, is a significant shift in consumer perception and dispels the previous thinking that country of origin alongside the brand name were the main determinants of perceived brand quality (Hollensen, 2001; Holt et al, 2004), as previously discussed earlier in this chapter.

The manner in which global brand added values benefit consumers is not just in terms of quality perceptions however. Consumers derive added value from global brands as they aspire to be part of a global community. Global brands act as symbols

of a want to participate and be a part of a global culture, (Holt et al, 2004). This is especially apparent amongst younger consumers, who strive to own a pair of Nike's, listen to an Apple ipod or 'surf' the web.

Holt (2003) coins the phrase 'global myths' in describing the specific stories created by brands which consumers aspire to buy into, believing the specific message or behaviour which the brand is advertising will reassure their position in a particular global community. He states that brands become 'icons' by developing cultural myths which consumers believe in, understand and want to be a part of. They do this by way of symbolism, forging a deep subconscious connection with consumers helping us 'make sense of the world' (Holt, 2003). These 'global myths' were also found to be one of four key dimensions consumers associated with a 'global brand' in a further study by Holt et al (2004). In the study, the authors propose that in order for companies to achieve longevity with their global brands; the brand myth has to be managed effectively. This means evolving, continually changing and adapting to shifting ideology, culture and attitudes. Holt (2003) gives the example of the International brand Mountain Dew, which successfully managed to lead popular culture by creating specific charismatic visions of the world to make sense of confusing societal changes. That is, the brand's story or myth, proposed an ideology which answered questions about society on the consumer's behalf, providing a persona and way of living or approaching life which could be easily adopted, if bought into. Thus, consumers could easily attune to the emotional and psychological added values of the brand if they chose to.

2.5.2 Lower Costs

It is generally accepted within the relevant literature that having a global brand name in all countries reduces overall costs (Buzzell, 1968; Levitt, 1983; Quelch, 1999; Doyle, 2002; de Chernatony et al, 1995) and any adaptation of the brand in the slightest will increase costs (Doyle, 2002). Lower costs from operating a global brand come in the form of scale and scope economies. Economies of scale can be

achieved in logo development, packaging, and trademark registration (Quelch, 1999) whereas economies of scope could be achieved from having centralised operations (de Chernatony et al, 1995).

2.5.3 Cross Border Learning

Operating a global brand in many different countries provides for in house cross border learning. Information gathered from operating the brand in one country can be used to aid operations in other countries. Ideas can be transferred and practised from one market to the next (Quelch, 1999). Morgan (2005) defines this as knowledge exchange. She states that a global brand management system (GBMS) can expand a company's geography and access to brand experts. Every geographical region can act as a test market for ideas and programs. Brand managers can assess what's working and not working around the world, and apply that information in their own territory. Over time, management can gain insight into what will work for the brand and what won't, therefore continually learning and developing expertise and strategic brand knowledge. Being intangible and intentionally ambiguous, it is this strategic knowledge that is inherently difficult for competitors to imitate (Johnson and Scholes, 1999).

Focusing on one or a few global brands facilitates cross border synergies but also means that management move rapidly along the experience curve benefiting from product experience effects as discussed previously.

2.5.4 Cultural Benefits for the Company

Other than benefiting from brand reach and awareness across many different cultures there is also the company's culture to consider. A global brand will attract good people for employment, moreover, a global brand is in a greater position to recruit and retain better people than a small local brand (Quelch, 1999). As previously discussed in the first chapter, staff have a key role to play in delivering the brand promise and are often considered more than employees, rather, an integral

part of the brand building process (Upshaw and Taylor, 2001). Quelch (1999) notes this as a 'motivational benefit' stating that it should not be underestimated. Indeed, the power that employees possess in terms of being a critical cog in the brand value chain, should not be underestimated. The different decisions managers make all affect the outcome of brand value (Keller and Lehmann, 2003) and having motivated employees who believe in delivering value to the end consumer can most certainly be viewed as a benefit to the firm. An example of this would be when Coca Cola, in the mid nineties, had to draft in counsellors after the launch of cherry coke was a flop. The pride in the company and brand they believed in was so strong that some staff needed counselling as they could not cope with the failure.

2.6 Pitfalls of Building Global Brands

The benefits of global brands have been discussed at length, however, for every force there is an opposing force. Such is the dilemma for the Global firm. In contrast to the benefits of global branding, there are many notable pitfalls involved with building a global brand and these have been discussed in literature by authors such as Ger (1999) Melewar and Walker (2002) and Quelch (1999). The author will now endeavour to discuss the difficulties inherent in building a global brand.

A critic of the methods managers rely on to make judgements about international investments, in particular Country Portfolio Analysis (CPA), Ghemawhat (2001) contends that the costs and risks of doing business in new markets, result from barriers created by distance. Ghemawhat points out that distance is not just in a geographic sense, although this is important, but also in the form of cultural, administrative, political and economic distance. All these factors contribute to measuring the impact of total distance on developing a brand in foreign markets. Furthermore, this element of distance is afforded greater scope for argument when enmeshed with the four interrelated challenges of global marketing strategy postulated by Craig et al (1996); the rapid pace of change, the complexity of markets, the increasing intensity of competition and the firm's moral and social responsibility,

noted as the firms 'conscience. In addition to this, Aaker and Joachimsthaler (1999) cite the exaggeration of scale economy benefits, stating that cultural barriers prevent such advantages. They also stress the difficulty in developing a successful global brand team and the management of brand image perceptions across different markets. For example, Honda means quality and reliability in the United States, but in Japan, where these attributes are standard for most cars, Honda represents speed, youth and energy (Aaker and Joachimsthaler, 1999). All these factors can be viewed as symptoms of difficulties inherent within international brand management for which the prescription is not universal; on the contrary, it is context specific.

Too often, managers overestimate the attractiveness of untapped markets blinded by their sheer size (Ghemawat, 2001). But the reality is that there may be great degrees of distance, in all its dimensions, between the brand and its potential markets. Providing an example of the effects of cultural and administrative distance, Ghemawat (2001) exemplifies his argument by stating that a company is likely to trade ten times as much with a country that is a former colony, for instance, than with a country to which it has no such ties. Also, a common currency increases trade by 340% and a common membership in a regional trading block increases trade by 330% (Frankel and Rose, 2000 cited in Ghemawat, 2001). Furthermore, advocates of the theory that technology is continuously driving the homogeneity of markets (Buzzell, 1968; Levitt, 1983; Kapferer, 2002) are opposed by Ghemawat's antithesis. He contends that when it comes to business, technology does not drive homogenisation of everything, because differing forms of distance still have huge effects on all business aspects.

Three specific pitfalls of building global brands are outlined by Quelch (1999); excess standardisation, ignoring the differences between the extent of the brand's and product's development in different markets and imposing total headquarters control. He adds that these are common mistakes made in the brand building process.

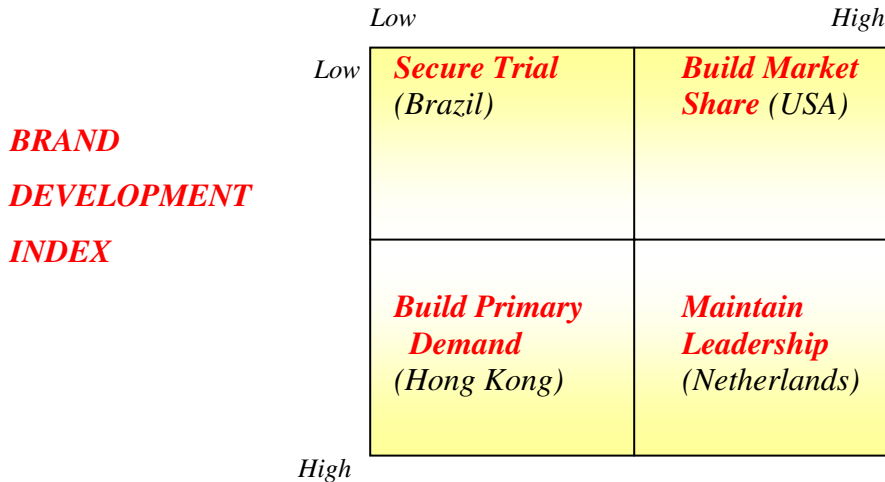
2.6.1 Excess Standardisation

The supporters of brand standardisation are notable within the literature (Levitt, 1983, Buzzell, 1968). Quelch contends these author's profferings, which are that total standardisation is the answer to achieving global brand success in continually homogenised markets, are subject to questioning. Every time you adapt something it costs money; Quelch states that the trick is to know what to standardise and what to adapt in each country, indeed a somewhat idealistic answer to the problem and no easy feat. Nevertheless, Quelch explains his theory further noting that the more strategic elements of the marketing mix can be standardised successfully, but the less strategic, such as the execution-orientated elements of the marketing mix, are often better adapted; an approach also supported by Doyle (2002).

2.6.2 Ignoring Levels of Development

The brand faces the predicament that it will be at different stages of development in different markets. Drawing from basic product or brand lifecycle theory, marketing strategies will be different for different stages of a brand's development. A brand may be at maturity stage in its domestic market and at introduction or growth stage in developing markets. Quelch (1999) notes that successful brand building requires monitoring and examination of cross border differences in terms of both category development and brand development. For instance, Heineken studies the development of beer consumption in markets and references this information to the Heineken brand development. Commonalities and Differences in tandem drive the Heineken strategic marketing effort in each market (Quelch, 1999).

Figure 2.1: Brand Development Index



Source: Adapted from Quelch (1999) 'Global Brands: Taking stock', Harvard Business Review, Vol 10 Issue 1, pp 1-14

2.6.3 Excess Headquarters Control

In any business there is an inevitable tension between headquarters and operations in the field. Herein lies a paradox which must be addressed, a balance of control must be found between headquarters and country managers. Indeed overall brand strategy will determine to a certain extent, degrees of control, but attributing a greater level of control to one will no doubt forsake the other. Quelch (1999) notes that headquarters have the ability to see the 'big picture' ensure speedy worldwide new products and enforce minimum quality standards. Aaker and Joachimsthaler (1999) support this view stating that a global brand being driven by a single strategy is much easier for the company than dozens of country specific strategies. They cite Visa's 'worldwide acceptance positioning as an example. However, excessive headquarters control has disadvantages also, such as domestic market bias, reduction of motivation for those in the field, no reverse learning and sharing of best practices from the field back to headquarters.

2.7 Power to the Locals

To take a slightly different perspective, it could be said that a pitfall of building global brands would be the rising popularity and consumer support for local brands. Being global no longer guarantees market domination. There is a noticeable trend of consumers preferring the local brands they know and are used to, over global brands (Kapferer, 2002;). Kapferer (2002) challenges common one-dimensional thinking by proposing that local brands should not always be dropped in favour of global brands in rationalisation strategies. Market structural factors such as purchase patterns, brand equity factors such as being perceived as an institution and specific cultural factors such as local knowledge, all lend support to developing local brands rather than global ones (Kapferer, 2002).

Specific methods by which local brands can gain advantage in the marketplace are postulated by Usunier and Lee (1999). They state local players can use the experience effects, discussed previously in the chapter, to gain the advantage over global new entrants, by using their local identity advantage. They can also aggressively price, act as defenders of the local culture (Ger, 1999) or adopt a chameleon approach where they make every effort not to look local whenever the perception of being local would mean negative quality expectations and less glamour (Kapferer, 2002). Importantly, Ger (1999) notes that success with strategies such as those just mentioned will not prevail if the local firm is not dynamic and innovative in exploiting its cultural resources to build and manage a unique value. Furthermore, they must not simply copy foreign firms marketing practices and research methods but act creatively in developing their own.

In fact, it has been noted that local firms are finding the market capability to muscle out global players. Global firms in certain markets have failed in their attempt to penetrate these new markets and have found difficulty in attaining their usual number one market share position (Ger, 1999, Usunier and Lee, 2005). This gives

hope for many local brand managers. They can realise the resources specific to them, mostly in the form of cultural capital, and use these to find their competitive advantage, fearing no longer the previously assumed dominance of the global brand.

In simplistic terms, the argument in favour of local brands works for firms which can adopt an absolute position for or against local brand development. However, the debate becomes more complex for firms that have a portfolio of both local and global brands, such as Henkel or Diageo. Having discussed the benefits of global brands and also the pitfalls, where the importance of local brand development was stressed, selecting which ones to build globally or those to keep local, can pose a problem.

In a review of recent brand business activity, Quelch (2003) notes that many multinationals are increasing their purchases of successful local brands as opposed to building their global ones. He cites Coca Cola as an example, stating that two thirds of Coca-Cola's sales in Japan are from local beverage brands, and the company now owns more than one hundred local brands worldwide (Quelch, 2003). The complexities of portfolio rationalisation decisions are shown in an interesting example given by Kapferer (2002). The company he highlights is Proctor and Gamble who are known for their market leader brand policy, that is, they keep only one brand per segment over all European companies with a standardised marketing mix, all local brands not fitting the desired portfolio are axed. The problem with this strategy arises when brands to be axed are local market leaders themselves in key strategic categories such as Dash in Belgium for example. Following strategy, this brand would be replaced by Ariel, the larger similar brand in P&G's portfolio, but this would be at the potential catastrophic cost of Dash's brand equity and the damaging effect could reverberate on P&G's corporate image.

In the same sense it is no use having a huge portfolio of local brands which aren't profitable for the business either. To refer to the Unilever example once more, by 1999, 75 percent of the brands in Unilever's portfolio contributed less than 10 percent to the company's total sales, and the company is now in the process of

jettisoning the least profitable ones. Last year, Unilever announced that it would trim its brand portfolio from 1,600 to 400 over five years (Frost, 2005). Frost, reiterates Kapferer's (2002) point that portfolio rationalisation strategies reach a critical decision point when brands to be eliminated are local favourites. There seems to be a risk that some long-established and well-loved local brands could disappear. A very different approach to preserving local brands has been taken by Germany's Henkel KGaA. The company's strategy has been to focus on local heritage brands that can be supported by modern and integrated production methods—an approach that seems to contrast strongly with that of building global power brands (Frost, 2005).

This approach can be contrasted with the one taken by Procter & Gamble, which decided to globalise its European laundry detergent operations several years ago. In 2000, the company renamed its popular "Fairy" laundry detergent in Germany "Dawn" in a move to position the latter as a global brand. The product's formulation did not change. However, by the end of 2001, P&G's market share of Dawn in Germany had fallen dramatically. Dawn meant nothing to German consumers compared to Fairy's familiar and trusted brand persona. Renaming the brand meant the bond between consumers and the brand was broken; not even changing the brand's name back to Fairy could restore it (Frost, 2005).

In discussing the power of local brands today, Dr. Hans-Willi Schroiff, vice-president of market research/business intelligence at Henkel states "a strict globalization strategy like P&G's [will not be] successful if 'meaningful' local brands are the corpses on the battlefield.... consumers do not switch to the global brand, but to another brand that looks more [like] 'home' to them." (cited in Frost, 2005). Indeed, Levitt's (1983) contentions about the potential pitfalls of thoughtlessly acquiring local brands were correct, but his predictions about the total convergence of consumer demand seem to have missed the target as there still remains huge consumer demand for long established national/local brands.

In postulating an ideal balance between 'globalness' and 'localness', Frost (2005) highlights McDonald's and Phillips as global brands which have managed to find

the ideal fit between the two. They have managed to gain acceptance in consumer's minds as local brands, almost everywhere they do business. The American fast food chain has become such a routine part of the landscape in parts of Asia, for example, that some kids may not even be aware of the company's foreign origins. Paraphrasing from the book "Golden Arches East," by Emiko Ohnuki-Tierney, Frost (2005) relates a story of Japanese Boy Scouts who were surprised, when travelling abroad, to encounter a McDonald's in Chicago (edited by James L. Watson, Stanford, 1997, cited in Frost, 2005). To provide further evidence, companies such as McCain and Singer have localised specific elements of their marketing mix such as products and communications to such an extent in certain markets that the consumers of those markets believe the brand is a local one. This phenomenon which the aforementioned brands seem to be fashioning has been described as a "multi-local" strategy (Frost, 2005). Achieving 'multi-local' status is therefore an objective which will bring the benefits of a global brand in terms of scale whilst delivering local brand advantages in terms of consumer perceptions of brand image.

2.8 Global Branding Strategy

2.8.1 Building Global Brands: Beyond the 'CookBook'

Internal factors concerning weaknesses in brand management have attributed to the changes in the brand environment. Primarily, this includes lack of investment, inadequate product development, poor consumer communication, and an emphasis on short term results rather than long term vision (Khashani, 1995, cited in Doole and Lowe, 2004). The answer for brands, Khashani argues, lies in global brand building. He contends that companies have to listen more to their customers, be bold think creatively and set new market performance benchmarks. Moreover he advocates the need for companies to think globally, 'launch products and services sequentially and rapidly across markets and build world brands'. However, Khashni's prescription for brand salvation is not so simple. There are many factors involved in building a globally successful brand, differing influencing factors across

product categories (Quelch, 1999), cultural anomalies across markets (de Mooij, 2002) and internal organisational architecture to name but a few (Quelch, 1999).

So how does one build a global brand? It is certainly true that a basic condition required for membership of the 'global brand club' is to have amassed a considerable amount of brand equity through extensive advertising spending based on consistent core themes, consistent both over time and across countries (Uusunier and Lee, 2005). A second condition also required to become a globally recognised brand is that the brand's image must have been carefully monitored over time. This requires a considerable sophistication in the management of meaning (Uusunier and Lee, 2005) mainly projected through the use of effective advertising. Nevertheless advertising is not the only way to build brand awareness and subsequently brand equity as the Body Shop and Haagen Dazs have shown. Through event sponsoring and high street store presence these brands have amassed a global presence with an alternative brand building strategy (Aaker and Joachimsthaler, 1999)

The debate as to how to build global brands is undoubtedly difficult to resolve. There have been many 'cookbook' methods postulated by authors such as Quelch, (1999), Melewar and Walker (2002) and Ger (1999), but these do not apply to all business contexts. Certain necessities for building global brands have been outlined in the literature, such as the brand has to be inherently linked to the national image to be global (Shalofsky, 1987), the need to balance demand side factors with supply side factors (de Chernatony et al, 1995) and the integration of key corporate and communicational building blocks postulated by Quelch (1999), but these can at most be deemed guidelines that are advised only if suitable.

A refreshing theory is proposed by Aaker and Joachimsthaler (1999). They advise a more 'nuanced' approach to developing global brands, where building the brand globally is actually not the priority. They term 'global brand leadership' as the advised approach to creating strong brands in all markets. That is, using organisational structures, processes and cultures to allocate brand building resources

globally, to create global synergies and to develop a global brand strategy that coordinates and leverages country brand strategies. Thus developing a holistic strategy to support brand building activities across markets rather than building single global brands.

In order to ensure consistency of brand activity across markets Aaker and Joachimsthaler (1999) further propose the invention of a 'brand manual'. This document aids management in clarifying the brand's communication position and also that of the brand identity, i.e what the brand stands for. A manual should be at the hands of every employee whenever there is a query with regard to the brand identity. This is the case with Unilever's most global brand Lipton Tea (Aaker and Joachimsthaler, 1999). The idea is supported by Douglas et al (2001) who note that brand manuals are often used as mechanisms for ensuring consistency of brand positioning and identification across countries. In fact, Douglas et al (2001) stress the importance of firstly having international brand architecture across markets within which the firm operates; otherwise consistent brand positioning will not be solved exclusively by the use of a brand manual. By brand architecture they mean a formal process and outcome by which management rationalises the firm's brands and makes explicit how brand names at each level in the organisation will be applied. It also indicates how new brands, whether acquired or developed internally, will be developed (Douglas et al, 2001).

2.9 Global Corporate Brands

It is notable that at the time of writing, there is not one product brand in the top ten most valuable brands (<http://www.interbrand.com>). Herein lies the justification for developing global corporate brands. There has been much support in recent literature for corporate brand building (Aaker, 1996; de Chernatony, 2002; de Chernatony & Dall'Olmo Riley (1998); Quelch, 1999; Douglas et al; 2001) and it is still a featured topic in many brand conferences today (<http://www.birmingham.ac.uk>). In terms of global corporate brand building guidelines, Melewar and Walker (2003) offer a

specific set to be adhered to. Having conducted a review of the relevant literature themselves, these authors examined the guidelines for successful branding that other notable academics have developed, which they propose as the ‘seven basic rules’ for creating a successful brand;

Figure 2.2: ‘Seven Basic Rules’ for Creating a Successful Brand

1. *A brand must be inextricably linked to the overall corporate strategy. If it is not then the company is in danger of offering an inconsistent level of service, inconsistent quality and communication and, more importantly, of having no real brand quality.*
2. *A brand should be a shorthand summary of its company*
3. *A brand must have a consistent positioning, appearing the same everywhere with only minor variations.*
4. *A brand must use a broadly constant marketing mix*
5. *A brand must deliver value, be defined in consumer terms and provide a sense of security to its users and makers*
6. *A brand must have a continuous relationship with its buyers and users*
7. *A brand should provide a platform for innovation and differentiation.*

Source: Melewar, T.C and Walker, Christopher M. (2002) Global corporate brand building: Guidelines and case studies. Brand Management Vol. 11 No 2, pp.157-170

Posting the ‘basic rules’ for building successful corporate brands in such a methodological fashion could be deemed slightly presumptuous, in that a brand cannot be successful without adhering to all seven. Nevertheless, they have been based upon empirical evidence from various authors and can thus be recognised as key success factors. They are also generalised enough to provide scope for flexibility in order to relate to any type of corporate brand, whether it be industrial, technological or fmcg. However, these rules do not epitomise the key success factors for product brands. For example, rule three, which states that ‘a brand must have consistent positioning everywhere it operates’ assumes that brands are inflexible

across different markets in terms of their positioning in consumer's minds. This is not the case for many product brands, for example, Stella Artois, is very successfully positioned as a premium brand in consumers minds in the United Kingdom. But in its domestic market Belgium, (not France as the UK advertising implies) it is regarded as a standard mid range beer, yet the brand is successful in both markets (Bennett and Blythe, 2002).

Some might say that where there are rules, there are no choices. That is, by their very definition, rules must be adhered to and one cannot just pick and choose which rules to follow otherwise the system for which the rules are the backbone, does not function. Nevertheless, there is an argument for a degree of compromise, especially with regard to brand development. In sum, the 'rules' and 'must do's' offered by some of the authors hitherto discussed can indeed be applied in certain circumstances, but it is also holds true that these rules should not be religiously adhered to if they are not contextually applicable for the brand. An equilibrium must be found between what management believe to be the best strategic methods of development of their brand in its relative market contexts, while at the same time affording attention to the most applicable 'rules' for building successful brands when they appear relevant.

Finding the equilibrium which works best for a particular brand is inherently going to involve a degree of either standardisation or adaptation of the brand to local contexts. This debate will now be examined in more detail.

2.10 Standardisation versus Adaptation

The question of whether or not a brand should be standardised across markets or adapted to local tastes is longstanding within literature. Standardisation of brand names internationally is one dimension of the larger question of to what degree marketing policies and programmes should be made uniform around the world that is, "globalised". The advocates of standardisation would state benefits such as

centralised operations meaning reduced complexity throughout the organisation. Whereas defendants of brand adaptation methods would speak of customising the brand to local specific tastes in order to gain local competitive advantage. The further advantages and disadvantages of both strategies will be examined in more detail, but first the author will briefly describe the historical discussion surrounding this topic in literature.

2.10.1 History of the Standardisation Versus Adaptation Debate

Theodore Levitt's (1983) influential paper is often referred to by many authors in the continuing debate which surrounds global brand strategy and the ever present argument of standardisation versus adaptation. The crux of Levitt's argument can be summed in statements such as 'the world's needs and desire's have irrevocably homogenised...Everywhere everything gets more and more like everything else as the world's preference structure is relentlessly homogenised.....Ancient differences in national tastes or modes of doing business disappear' (Levitt, 1983). Building upon Buzzell's (1968) theory of converging consumer demands, Levitt was predicting the future for brands, stating that they will 'force suitably standardised products on the entire globe'. From the publication of his paper right up until today, Levitt's claims have been both contradicted and supported by a variety of academics. Supporters of brand adaptation methods would concur that Levitt's theory assumes market homogeneity, and that *not* all markets are the same and standardisation is only suitable for *some* products. They also state that constant standardisation inherently requires the need for quality and consistency. Slip ups in quality or crises in certain markets exasperate worldwide and are immediately detrimental to the brand, due the brands standardised presence in all markets (Douglas and Wind, 1987; de Chernatony et al, 1995; Quelch, 1999; De Mooij, 2000; Kapferer, 2002; Frost, 2005).

The above are merely some of the negativities of standardisation strategy refuted by the above authors. Yet Levitt's arguments are also supported by some key

commentators too. For example, Onkvist and Shaw (1989, cited in Usunier and Lee, 2005) advocate strongly the benefits of standardisation for corporate branding, including increased market efficiency, reduced advertising and inventory costs and convenient identification for people travelling internationally. Douglas et al (2001) agree with this view and add that the increasing political and economic integration in many parts of the world is a key factor stimulating the growth of international branding. Furthermore, they note that the removal of governmental tariff and non tariff barriers to business transactions and world trade, coupled with increased consumer mobility, has set a climate for the marketing of standardised products with the same brand name in multiple country markets.

2.10.2 Where Do We Stand Today?

In a 2004 Harvard Business Review article Holt et al (2004) called for a rethink of global branding, stating that it is a dying dichotomy. They note that the ‘think global act local’ strategy or ‘Glocalisation’ approach has been born from the longstanding standardisation / adaptation debate, and ruled marketing ever since. A balance of standardisation of the brand where possible and adaptation where necessary, ‘glocalisation’ portrays the manner in which firms strive to do business on an international level today. There are many advocates to this approach of strategic thinking and some would go as far as saying that its popularity alone today nullifies Levitt’s argument for a standardised global marketing approach (Hollensen, 2001). Neither exclusively adaptive nor standardised, a ‘glocalised’ approach to international brand management certainly alleviates the dilemma of whether or not to be a localised brand or a standardised one.

2.10.3 Key Issues Surrounding the Standardisation / Adaptation Decision

In practice, not all firms are either completely standardised or completely adapted as aforementioned. Rather, there is a balance of the two, with adaptation mediated by degrees of standardisation Hollensson (2001). Nonetheless, the decision for

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managers which aspects of their marketing mix to standardise or adapt is not a simple one. There are many factors such as environmental, political social and technological, which can influence management to opt for a particular strategic path. Figure 2.3 below charts the key factors that favour standardisation versus adaptation of the brand and subsequently its marketing mix. In essence the possibility for a generally standardised strategy in both back office strategic functions and front line customer interaction functions such as marketing, rests on the type of industry the firm operates in. Some industries such as those which focus on high technology, will lend themselves to a more standardised approach and thus a standardised global brand strategy will be more adoptable.

Figure 2.3: Factors Favouring Standardisation and Adaptation

<i>Factors Favouring Standardisation</i>	<i>Factors Favouring Adaptation</i>
<ul style="list-style-type: none">- Economies of scale in R&D, production and Marketing (experience curve effects)- Global competition - Convergence of tastes and consumer needs (Consumer preferences are homogeneous) - Centralised management of international operations- A standardised concept is used by competitors	<ul style="list-style-type: none">- Local environment induced adaptation: Government & regulatory Influences (no experience curve effects)- Local competition- Variation in consumer needs (Consumer needs are heterogeneous)- Fragmented & decentralised mgmt- An adapted concept used by competitors

Source: Adapted from Hollenson, S, (2001)'Global Marketing: a Market Responsive Approach'pp.393

The above factors show both those favouring standardisation and adaptation respectively. These can now be discussed in more detail.

2.10.4 Support for Standardisation

The advocates of standardising brand names would note the benefits in terms of brand image. With a uniform world wide image, awareness is obviously enhanced and as the brand image is consistent worldwide, the brand message is subsequently promoted to a greater audience than it would be with a local brand strategy. Furthermore, the more uniform the brand image across the globe the more consistent advertising will have to be, thus the firm can achieve a reduction in overall costs through economies of scale in advertising (Doyle, 2002). But this low cost advantage is not just limited to advertising. Economies of scale can be earned in research and product development which can prove very useful as a barrier to competition as these are high investment areas (Doyle, 2002). Standardised products across markets means more time spent on R&D disseminating economies of scale in these areas also.

In addition, it is easier to standardise brand names which are not inherently affected by a nation's culture. For example, products which are not so affected by differing cultures lend themselves to a global brand strategy such as the Sony Walkman or John Deere machinery (Doole and Lowe, 2004). Food products would be an example of the antithesis, where culture has a huge influence on the brand name and subsequent meaning. There can be the possibility of negative connotations, through different meanings and associations inherent within cultures however. The effects of culture on brand strategies will be discussed in more detail later in this chapter.

The degree to which brands and products can be standardised is also a factor of the product category. The cost of adaptation is alleviated when the firm sells prestigious products (Doyle, 2002). Generally, those who can afford prestigious brands such as Gucci and Rolls-Royce, have homogenous tastes, whether it's the neaveau riche in Ireland, Japan, the U.S or Brunei for example.

A critical factor which can be hugely detrimental to the implementation of standardised elements of a brand strategy across markets is national legislation. It can prove very difficult to satisfy different countries legal requirements for a global brand standardised strategy (Doole and Lowe, 2004). For example, subway's global 'The Subway Diet' advertising campaign was forbidden from use in Canada, where promotional and marketing campaigns are heavily regulated and emphasis on dieting in advertising is not permitted (www.bbc.com).

To summarise the advantages of brand/product standardisation; the company benefits from more rapid recovery of investment, easier organisation and control of product management and the possibilities to reduce costs through economies of scale and the experience effect throughout most of the firm's operations, such as production advertising and distribution (Doole and Lowe, 2004).

2.10.5 Support for Adaptation

The many differences between industries and external market constraints which hamper use of a standardised strategy are described in detail by Douglas and Wind (1987). They contend that for example, the nature of the competitive structure within industries or markets differs across nations, even if global competition is a feature, meaning strategies will still have to be adapted accordingly to leverage a competitive position.

Culture is as most authors concur, the biggest determinant for brand adaptation across different countries. The belief that there would be total consumer convergence of tastes did not wholly account for the strength of nations cultures (De Mooij, 2002). Brands often have to be adapted to local cultures otherwise there is no way that consumers can associate with the offering. Unilever use a localised brand strategy in which the brands are promoted on a culture specific basis. Many of their brands are a feature of consumer's daily lives and thus are engrained in the culture

with specific associations and meanings. Unilever adapt their brands to the cultural phenomenons specific to particular countries. For example, French people wash clothes in scalding hot water and use top loading washing machines, whereas Australians tend to use cold water and front loading washing machines (Doole and Lowe, 2004).

In many cases internal company structure plays a huge role in determining strategy. Often, the company architecture doesn't lend itself to a centralised approach but rather a decentralised strategy which supports a localisation approach. Local brand managers who know the territory and who have the responsibility to respond quickly to changing local conditions can mean first mover advantages for the local brand(s). With this in mind, Douglas et al (2001) note the importance of organising the brand structure of the firm, that is, the firm's current set of brands across countries, businesses and product markets, in order to achieve maximum efficiency from those brands in the portfolio. This may mean re-organising internal company structure around the brand portfolio to create a brand 'architecture' which is a formal process and outcome by which management rationalises the firm's brand's and makes explicit how brand names at each level in the organisation will be managed. An example of this in practice would be the Alcoholic beverage Multinational Diageo, whose company structure is organised around their brand portfolio. They have strategically sidelined eight critical brands which drive growth for the remaining global and local brands in their architecture (www.diageobrand.com).

A problem with brand adaptation is cost. Every time you adapt something it costs (Quelch, 1999). If changes are to be made to one product across different markets, inevitably costs rise. The firm must be able to ensure absorption of those costs. In effect therefore, financially, standardisation is the easier option, but there are also ethical issues involved in trying to force your standardised brand strategy template across different markets. The product usage and production process may not fit with the culture and environment of the country and the product or service may not be acceptable for its intended use, as was the case with Nestlé powdered milk which

was sold in LDC's despite the high cost and lack of clean water available to make up the milk (Doole and Lowe, 2004).

In sum, as mentioned afore, standardisation is easier, and this is true for the strategic elements of brand marketing. Those aspects of the marketing mix where the customer interfaces directly with the company tend to need more local adaptation, yet adaptation requires much research into country specific tastes and trends. Herein lies the paradox concerning international brand strategy. Which elements to keep standardised and which to adapt is a question that can only be answered by understanding the relevant context relating to each and every brand.

De Mooij (2000), almost two decades later condemns Levitt's theory. Taking a cultural perspective, his argument hinges on Hofstede's (1991) model of dimensions of national culture. He acknowledges that there is evidence of convergence of economic systems, yet this is by no means a basis for standardisation as there is no evidence of convergence of people's value systems. Whereby using Hofstede's model as an argumentative weapon, he explains that with a convergence of incomes does not come a convergence of consumption patterns, cultural values nor habits. Rather, the opposite is true,

'Cultural values remain stable and with converging incomes they will become more manifest. When people possess more or less enough of everything, they will spend their incremental income on what most fits their value pattern. Americans will buy more cars, the Dutch will buy more luxurious caravans and the Spanish will eat out more than they do now'.

Indeed, de Mooij's argument may be true that cultural values will always drive market specific consumption habits, but there is support for an argument that brands drive cultural consumption also.

2.10.6 Consumers and Global Brands

As a result of many factors, consumer's unwillingness to pay premium price for well known brands being one, brands in today's environment have witnessed many changes which are currently affecting their performance. Khashani (1995, cited in Doole and Lowe, 2004) states that customers are now better educated, better informed, more sceptical, more willing to experiment, less brand loyal, more media aware and have higher expectations. He also notes that competition is more aggressive, meaning more rapid launches of better quality 'me-too' products.

2.11 Market Entry Strategies

2.11.1 Market Entry Strategies – Merger (of Equals)

Branding decisions are critical in a merger or acquisition market entry strategy. Issues such as if the firms will combine brands to form a new brand name or whether the two firms will retain two separate identities are paramount. Smith (1998, cited in Doole and Lowe, 2004) reports research by McKinsey which proposes that there are three routes to brand consolidation;

- The phasing out of brands over time.
- Quickly change some of the branding – this only works well if the firm exerts control over distribution advertising and promotion.

2.11.2 Test Marketing

Risk reduction is central in any business decision. With regard to internationalising the brand, test marketing is often used as a 'trial and error' method to limit the possible negative effects if a brand fails. Cravens and Piercy (2006) state that test marketing gauges buyer response to the new product and offers evaluation of one or more positioning strategies. They further outline several test marketing strategies;

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- *Scanner based test marketing*: This method employs a simulated market environment in contrast to an actual market and is less expensive than conventional testing.
- *Conventional test marketing*: This method puts the product under actual market conditions in one or more cities. Full marketing operations are employed and it is on a commercial basis. It often represents the final evaluation before a larger scale market introduction.

2.12 Conclusion

This chapter has covered the literature regarding the definition and concept of a global brand and the complexities in differentiating between an international and a global brand. The chapter has also discussed aspects of international brand management and the ongoing debate with regards to standardisation and adaptation of the brand in international markets. The study can now progress to bring this literature into context, the context for this study being the Irish business environment.

Chapter Three

**The Irish
Business Environment**

"In the struggle for survival, the fittest win out at the expense of their rivals because they succeed in adapting themselves best to their environment."

- Charles Darwin

3.1 Introduction

The previous two chapters discussed the issues pertaining to branding strategy and the development of brands at an international level. In order to gain a better understanding as to how Irish brands can achieve success internationally, the research must be grounded in a particular context. For this study, the relevant context is the Irish business environment. An analysis of both historic and current Irish economic conditions is also required in order to provide the research with greater scope and perspective (Sweeney, 1999). Drawing on relevant available literature such as government reports and market profiles, the contextualisation will also look towards a prognosis for future Irish economic and business trends.

To begin however, the author will first give a brief overview of the country including relevant information on key drivers of economic change and political influences. This will be followed by an economic timeline which will briefly show the economic development of Ireland since joining the European Economic Community (EEC).

3.2 Overview

Ireland is an island situated in the north east Atlantic Ocean. Ireland gained its independence from the United Kingdom in 1921. The subsequent decades saw an emphasis on agriculture and export to the UK as fundamental drivers for the Irish economy. Recently however there has been a decline in agriculture and a shift towards industry and services as important economical drivers (Irish Management Institute, 1998). Of the agricultural sectors however, dairy and meat production are predominant. The main industries include machinery, chemicals, electronics, food

and textiles. Government policies to attract multinationals are supported by a favourable tax regime; this will be discussed in more detail further in the chapter (Irish Marketing Institute)

The chapter now moves on to discuss the economic influences.

3.2.1 Economic Influences

For a business, economic conditions affect how easy or how difficult it is to be successful and profitable at any time because they affect both capital availability, cost of operations and demand (Thompson, 2002). Ireland's economy has experienced radical changes since independence. For relevancy, the analysis will focus on economical influencing factors since Ireland's entry into the European Economic Community (EEC) until present day.

1970s to 1990s

In January 1973 Ireland along with the UK and Denmark joined the European Economic Community (EEC), now known as the European Union (EU). Membership provided many opportunities for Irish firms to establish strong continental business markets and thus reduce the reliance on the UK market. Membership of the EU meant Ireland became a highly significant selling point for promoting the country as an investment location, particularly for US Multinationals who wanted to enter into the European market (Tierney et al, 2001), but it also meant a new level of competition. The arrival of these large firms had both positive and negative effects.

Foreign Direct Investment (FDI)

The success in attracting foreign direct investment came at a price for Ireland, as many Irish companies folded under the increased competition from new foreign companies. Undoubtedly, trade liberalisation creates losers – the industrialists and

workers whose firms close down – as well as winners: consumers who get access to cheaper and more varied imports, and workers and firms in expanding exports (Barry, 2004). The effect free trade would have on Irish firms was predicted to be negative but, the outcome was worse than anticipated. There were many job losses amongst indigenous Irish firms, in particular large companies with over 500 employees (Sweeney, 1999).

On the positive side, it was this period after 1973 up until 1979 when the Irish economy experienced reasonable growth, mainly due to the effects of FDI, EU membership and through the increased government spending. This growth is even more creditable when it is noted that Irish economic growth was higher than elsewhere in Europe (O’Hagan, 2000). Ireland also benefited from considerable EU aid because its living standards were so far behind the rest of Europe (Sweeney, 1999).

Foreign Investment in Ireland continued to be buoyant up until the present day, generally due to favourable national and international economic conditions. The threat to this key economic driver in the future is the potential for many manufacturers to relocate to lower cost countries such as China; this is discussed later in the chapter. Initiatives to ensure a constant stream of FDI feeding the economy have been typically to encourage investment in high technology, high value added business and by the development of a skills based international services sector. The IMI report on the Irish market (1998) narrowed down the general incentives to locate in Ireland as;

- *The availability of a literate, educated and English speaking workforce*
- *Access to EU Markets*
- *A modernised infrastructure*
- *A network of support bodies for training, industrial development and foreign trade.*

Source: IMI Report, ‘*The Irish Market-A Profile*’ 1998

The 1980s saw further decline in the Irish economy. Government spending had risen rapidly and the budget deficit averaged 12 per cent of gross domestic product (GDP) in the first half of the 1980s; this had a concerning effect on the Government's creditworthiness at the time (Burnham, 2003). Unemployment rose rapidly to 17 percent in 1986 as a result of a government strategy to increase taxation to reduce government borrowing and the level of debt. Despite the fact that Ireland had received a positive inflow of funds from the EEC, employment had only increased by 4 percent since 1973 (Tierney et al, 2001).

The economy experienced further transition in the beginning of the 1990s. Policy implementation, demographic factors, and other external factors such as Foreign Direct Investment during this decade would lead to Ireland becoming one of the world's fastest growing economies, earning it the title, 'The Celtic Tiger' (Burnham, 2003). Hennigan (2005), states that it is the primarily American-owned firms that are responsible for most of Ireland's exports. In 2005, US financial services company Citigroup was named as Irish Exporter of the Year (<http://www.finfacts.com>)

Hennigan (2005) stresses that these 'powerhouses' are the key drivers of the Irish economy. He notes that;

- 90% of industrial exports are made by foreign owned firms
- Most of the products Ireland manufactures are designed elsewhere
- The bulk of Ireland's exports are marketed/sold by organisations based outside Ireland
- Ireland's industrial base relies on 149,654 jobs in 1,273 foreign-owned companies and on 147,895 jobs in 7,390 Irish firms. The service sector, with 240,000 businesses registered for VAT, employs about two-thirds of workers and accounts for 70% of GDP

There is significant indication therefore that Ireland has relied on FDI as a key stimulus for economic growth. For example, Ireland is the world's most profitable country for US corporations, according to analysis by US tax journal *Tax Notes*. It was found that profits made by US companies in Ireland doubled between 1999 and 2002 from \$13.4 billion to \$26.8 billion, while profits in most of the rest of Europe fell (<http://www.finfacts.ie/irelandeconomy>).

Entering the 21st Century

Ireland entered the 21st century as a nation which had grown its economy, created jobs for its citizens and improved prosperity and general quality of life and this had been done successfully for a period of fifteen years to present day (NCC report, 2006). In terms of competitiveness, Ireland (at time of writing – 2006) shows healthy signs. Recently, the Minister for Enterprise, Trade & Employment Micheál Martin, noted that Ireland was “ranked 1st in the EU for entrepreneurial activity and private capital investment and 1st in the OECD for attracting new greenfield FDI. This indicates healthy activity in both the indigenous and foreign-owned sectors of our economy” (NCC report, 2006).

Ireland had witnessed a fall in economic growth from double digits, yet as of December 2005 it was still at 5 per cent, more than double the EU average. Unemployment at 4.3% was the lowest in the European Union; the debt/GDP ratio was at 29 per cent at the end of 2006 – compared with 65 per cent in 1997 and employment had risen by 30 per cent in 9 years and almost 100,000 new jobs were created in the period 2004-2005 (Hennigan, 2005).

With regards to tax ratios in comparison with other countries, Ireland is moderate. According to the OECD, in 2004, Sweden had the highest tax-to-GDP ratio among OECD countries, at 50.7% against 50.6% in 2003. Denmark came next at 49.6% (48.3%), followed by Belgium at 45.6% (45.4%). At the other end of the scale, Mexico had the lowest tax-to-GDP ratio, at 18.5%, against 19.0% in 2003. Korea

had the second lowest, at 24.6% (25.3%), and the United States had the third, at 25.4% (25.6%). Ireland's ratio is 30.2% as of 2005 (<http://www.finfacts.ie>).

3.2.2 Technological Influences

Due to the nature of technological advancement, the most important technological developments with regards to this study and Irish businesses have been in the period of the last twenty five years. Therefore, to maintain relevancy, this section will focus solely on the major technological influencing factors from the period 1970s to present day.

According to Burnham (2003) the regulation of natural monopolies is a key requirement for an effective government. One of the most influential technological factors for Irish companies has been the privatisation of the telecommunications sector; in particular, the restructuring of the national operator Telecom which attracted many overseas firms to relocate to Ireland and avail of new low prices in telecoms. This had a radical knock-on effect on the economy, boosting employment and enhancing Ireland's status as an attractive country for foreign business development.

This focus on e-business has been important for Irish SMEs post the dot.com boom. However, many Irish SMEs have not adopted e-business process as quickly as anticipated. Technology Ireland yearbook (2003) notes Irish SMEs as adopting a 'wait and see' attitude to new technology. A report by Lucille Redmond within this yearbook, states the SMEs do use email and the web more and more, and have their own websites but the sector has 'pulled back on a headlong rush into a technological fairytale'.

The report states that the real value of e-business is not so much the flood of eager customers 'from around the world rushing in to buy Irish goods and services' but the

huge savings to be gained by implementing business to business technology in terms of supply and distribution. Redmond further states that the type of company associated with e-business is changing. It is not so much dotcoms but 'dot.corps' i.e. those that traditionally only had a bricks and mortar presence and are now expanding that presence onto the web.

3.3 Slower Growth?

There appears to be a contrast in opinions as to the condition of the Irish economy today. Many authors and media commentators are pessimistic with regards to the current state of the economy whereas other published reports and economic analysis indicate the opposite. For example, in a recent article Hennigan (2005) voices concerns over the stability of the Irish economy insofar as development in manufacturing is concerned. Despite positive forecasts, he contends that a positive economic situation can reverse rapidly, giving the example of the recent loss of 800 jobs in two foreign-owned manufacturing firms. Furthermore, Hennigan is supportive of Clinch et al's (2002) concerns over the reduction of scope for US multinationals to shift profits to low-tax countries such as Ireland. He states that this change in legislation will result in a loss for Ireland.

The crux of Hennigan's argument regarding slow economic development, particularly in manufacturing, is revealed when he singles out some examples of Irish based manufacturing firms which are experiencing difficulties. He uses these examples to dispel the notions that Irish firms, buoyant from their previous rapid growth, can develop International markets with ease;

'This week, Trintech, a tech star of the 1990s reported a quarterly loss. Another top Irish tech company IONA Technologies, is struggling with losses and may only survive if a bigger company acquires it. The future of the drugs firm Elan is dependent on the return to the market of the MS drug Tysabri. Compared with the 1990s, there have been no Irish floatations on the US NASDAQ stock exchange in recent years.

So as competition for mobile international investment increases, our own manufacturing base is shrinking. Without compelling high value products, the notion that developing markets in for example China, is going to be anything but a challenge, is a delusion.'

Indeed, the difficulty in growing indigenous Irish industry domestically and abroad is borne from the 'openness' of the Irish economy itself. Only 12 companies account for 90 percent of Ireland's exports (www.finfacts.com/irelandbusinessnews). A report by finfacts.com has noted that sales of Dell PCs, the Viagra impotence drug, Coca-Cola sugar concentrate and Intel computer processors 'now account for most Irish exports, while a majority of Irish-owned firms fail to make an impact in foreign markets' (www.finfacts.com/irelandbusinessnews).

These warnings are echoed by the chairman of the Irish Enterprise Strategy Group Eoin O'Driscoll who states that most of the products made in Ireland are developed, designed and marketed by people overseas. This point is highlighted by the fact that there have been recent job losses in low-technology manufacturing firms in the textile, light engineering and assembly sectors and furthermore, Irish manufacturing employment has fallen by nearly 30,000 in the past four years (www.finfacts.com/irelandbusinessnews).

3.4 A More Positive Outlook?

These contentions that there are worrying features of the current Irish economy at present are appearing more frequently in the headlines during 2005/6. Yet, despite this disconsolate atmosphere, the quarterly report for the first period of 2005 published by the Economic and Social Research Institute (ERSI) appears to have a more positive outlook on the current Irish economic position. The ERSI projected an annual GNP growth rate of 5.4 per cent for the second half of this decade and this figure is supported by the Department of Finance in its Economic Review and Outlook 2003 (ESG Report, 2004). Some of the main findings of the analysis from the ERSI report include:

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- Strong economic growth will continue for the foreseeable future. Economic growth as measured by real GDP is forecast to grow by 6.0 per cent in 2005 and 5.1 per cent in 2006. In terms of real GNP, growth of 5.4 per cent this year and 5.0 per cent next is forecast.
- Domestic demand is becoming an increasingly important source of economic growth. Investment activity and private consumption make a particularly important contribution. Private consumption is growing at its fastest rate since 2001, although some moderation of activity in the house-building sector will dilute investment growth.
- The forecast relative strength of the euro over the next two years throws the spotlight on domestic competitiveness issues. Inflation is almost entirely concentrated in the services sector. This situation could be alleviated somewhat by enhanced competition and regulatory reform in those sheltered sectors.
- Consumer price inflation is expected to average 2.2 per cent in 2005 and to rise moderately to 2.4 per cent in 2006. The rate of unemployment is expected to average 4.2 per cent in 2005 and decline to 4.0 per cent next in 2006
- Employment growth was remarkably strong in 2004 and into 2005, with most increases occurring in the services sector. Some slowdown in construction activity will temper future growth somewhat but still forecast overall employment growth of 2.8 per cent this year and 2.2 percent in 2006.
- The healthy economic backdrop will ensure the public finances remain in a sound position, with the Government Debt to GDP ratio continuing to fall further below 30 per cent.

Source: adapted from, *'Irish Economy: Quarterly Economic Commentary'* (June, 2005 (<http://www.finfacts.com/econ2000.htm>))

A positive outlook for continued economic growth in 2005 to 2007 is also held by the European Commission. In its commentary on Ireland's Stability and Growth

Pact, 2005 to 2007, it has noted Ireland's strong growth and sound public finances and commended the solid progress in adhering to spending targets, advancing structural reform and the relatively favourable position Ireland has regarding the long-term sustainability of its public finances (<http://www.finance.gov.ie>). Such findings refute the sporadic negative opinions held by many media commentators.

The positivism felt by the optimists can be summed up in a statement by the Minister for Finance, Mr. Brian Cowen TD in a speech to the Irish Business and Employers Confederation in 2005, 'Ireland's experience of membership of the EU has by any standards been a model of economic and social progression. We enjoy living standards as measured by gross domestic product (GDP) and gross national product (GNP) per capita which exceed the EU average. Innovation has replaced emigration. From sandwiches to software, new business activity can be seen in every region in Ireland', (<http://www.finance.gov.ie>).

However, the mixed opinions as to Irish economic growth in the near future are evident in a review of the Irish Economy published in Washington D.C. on August 7th, 2006 by the International Monetary Fund (IMF). The report stated that indeed, economic growth is strong, unemployment is low and labour participation rising, and government debt has been reduced dramatically over the past two decades. Nevertheless, it also observed that growth has become increasingly unbalanced in recent years, with heavy reliance on building investment, sharp increases in house prices, and rapid credit growth, especially in property-related sectors.

3.5 Indigenous Irish Business Development

The importance of developing indigenous Irish industry domestically and in foreign markets cannot be underestimated. As has been previously discussed, an over reliance on the forces that contributed to the boom in the 1990s such as foreign direct investment for economic growth could lead to an inability to adapt if these factors were to take a negative turn. This requires focusing and developing Ireland's

‘strengths’ (Clinch et al, 2003). In order to support and improve our current level of income and wealth Ireland needs to continue to develop the capacity to penetrate international markets. The Minister for finance states with regard to this point that, *‘given our small size the only way we can do that is through continued effective participation in the European Union and to help ensure that the functioning of the Internal Market continues to improve. To do anything to put that effective participation at risk would be to risk our current prosperity’* (<http://www.finance.gov.ie>).

It is the protection of Irish economic prosperity that has cajoled government and industry bodies into action. There have been many instances of Irish companies being taken over and many actively pursuing exit strategies; in a seminal article Lambkin (1994) highlights this trend amongst Irish companies, some examples used are Bailey’s, Guinness and Jameson. To counteract this trend, government development agencies such as Enterprise Ireland and Bord Bia are an example of the investment the country is making into growing Irish firms internationally (<http://www.finance.gov.ie>)

These two initiatives will now be explained in more detail.

3.5.1 Enterprise Ireland

Enterprise Ireland is state development agency focused on accelerating the development of world class Irish companies through financially supporting business start ups and innovative products and services that can compete in International markets. They concentrate on five main areas of activity;

- Achieving export sales
- Investing in research and innovation
- Competing through productivity
- Starting up and scaling up
- Driving regional enterprise

(Source: <http://www.enterprise-ireland.com>)

3.5.2 Bord Bia

Bord Bia/Irish Food Board was established by the Irish government in December 1994. It brought together the former CBF (Coras Beostoic agus Feola - the Irish Meat and Livestock Board) and the food promotion activities of the Irish Trade Board, now part of Enterprise Ireland. Responsibility for the development of the horticultural industry in Ireland, which rested with the former Bord Glas, was integrated into Bord Bia on July 1st, 2004. Bord Bia acts as a link between Irish Food and Drink suppliers and existing and potential customers (<http://www.bordbia.ie>).

The objective of Bord Bia is to develop export markets for Irish food and drink companies and to 'bring the taste of Irish food to more tables world-wide' (<http://www.bordbia.ie>). Bord Bia provide assistance to Irish food and drink producers in areas of export, production, quality standards, health regulations, controls and new industry developments. For many Irish food and drink companies looking to develop their business Bord Bia's services can be of significant benefit.

3.5.2.1 Bord Bia Brand Forum

Since inception, Bord Bia have undertaken a number of initiatives for the development and growth of the Irish food and drink industry. One of the most notable is the Bord Bia brand forum. According to Bord Bia the brand forum, '*provides an existing platform to develop brand skills in a practical, self-learning and cost effective manner – in the company of peers and industry experts*' (<http://www.bordbia.ie>).

3.5.3 Notable Concerns

In terms of company *branding development activity*, it can be said that Irish companies still lack International brand presence, but for exceptions such as Waterford Crystal, Kerrygold and Riverdance. Indeed, Eoin O'Driscoll, chairman of

the Enterprise Strategy Group (ESG) in a letter to Mary Harney Tánaiste and Minister for Enterprise, Trade and Employment, criticised the lack of Irish firms' international marketing activity, 'we believe that enterprise in Ireland, while having highly developed manufacturing ability, lacks capability in two essential areas: International sales and marketing and the application of technology to develop high value products and services' (ESG Report, 2004, '*Ahead of the Curve – Ireland's Place in the Global Economy*')

The basis for this particular study centres upon the perceived *lack* of Irish International brand development over the past twenty years. Exploring the branding best practice methods used by already internationally established Irish brands could therefore aid knowledge transfer and facilitate the growth of indigenous domestic Irish brands. The Enterprise Strategy Group Report mentioned above, is designed to inform and aid such desired growth by detailing Ireland's current position in the Global Economy. The report presents an analysis of Ireland's recent and current enterprise performance, reviews international enterprise trends and perspectives and identifies important steps to underpin Ireland's successful transition to a new phase of enterprise development. The Enterprise Strategy Group was appointed by the Tánaiste to prepare an enterprise strategy for growth and employment in Ireland up to the year 2015 (<http://www.forfas.ie/esg/>). The Group's report is entitled 'Ahead of the Curve, Ireland's Place in the Global Economy' and will now be examined in more detail to provide a contextual reference for the basis of the current study.

3.5.4 Enterprise Strategy Group Report 2004

The report covers various sectors and aspects of the Irish and global economy which have an influencing effect on enterprise development and growth. There are a number of key issues addressed and those that are most relevant to the context of this study will be examined. In essence, the key recommendation from the report is that a new strategy for enterprise development in Ireland must be implemented in

order to adapt to new challenges and changing global trends. Indeed, this may seem alarmist given the context of Ireland's current success. Nevertheless, the Enterprise Development Strategy Group believes that there are significant areas of opportunity for Ireland to 'exploit its natural advantages and to develop new areas of competence in pursuit of sustainable enterprises' (ESG Report, 2004).

The ESG states that Irish enterprise currently has 'limited capability' in R&D and sales and marketing expertise, but does however have high expertise and highly skilled manufacturing. The report states;

'Until now, Ireland's principal enterprise strengths have been in the operational aspects of manufacturing and services, rather than in markets and product development. This is particularly true of the foreign-owned sector, which accounts for most of our exports and which, for the most part, produces goods that were designed elsewhere, to satisfy market requirements that were specified elsewhere, and sold by other people to customers with whom the Irish operation has little contact and over whom it has little influence.'

One of the key recommendations for the ESG is for a greater focus on sales and marketing and in particular new product development with a focus on innovation. They further state that;

'To secure a strong position in the new global competitive environment, Irish businesses should focus on building a deeper understanding of customers, markets and the wider influences driving product and service life cycles. The Irish enterprise community must develop, and be supported in growing, its capabilities in market intelligence, international sales promotion, sales and strategic management.'

At a national support level, Ireland needs a single point of focus for international market development activities, charged with facilitating access to international and global markets and with promoting Irelands enterprise brand internationally.'

Three of the most significant recommendations correlate strongly with the focus of this study;

- 1. Establish, within Enterprise Ireland, a dedicated structure, Export Ireland own budget and strong, experienced leadership, to develop a more focused approach to export market intelligence and promotional activities.*
- 2. Establish a five-year program, to place, on a cost-sharing basis, 1,000 graduates and internationally experienced professionals in Irish firms to augment the stock of national sales and marketing talent. This initiative should be complementary to existing programs.*
- 3. IDA Ireland should target sales and marketing and European headquarters projects from both established multinationals and smaller companies at an early stage of internationalisation.*

This highlights the emphasis placed on marketing as a key driver for the growth of Irish enterprise internationally. This view is supported in an article by Tom Kennedy in the Technology Ireland Yearbook (2003) which states that many indigenous firms find themselves in a difficult position because they ‘lack technology, management and marketing resources’ (pp: 83).

3.6 Examining Future Trends in the Global Business Environment

Human capital is a key component of several indigenous growth theories, and related factors such as the quality and relative availability to physical capital, serve to attract mobile investment (Barro and Sala-i-Martin, 1994). According to the ESG report, the nature of global business is changing exponentially. This is characterised by the desire for low cost production bases and labour. With a combined population in excess of over 2 billion, India and China are fast becoming target markets for production and mobile investment (ESG Report, 2004). The ESG report highlights two key factors which will affect the competitiveness of the Irish economy in the future;

- The importance of low cost labour and manufacturing prowess in China and India.
- The shift towards services as a major driver of GDP growth as a trend in global trade (ESG Report, 2004)

Hennigan (2005) further stresses the importance of the affects these factors could have on Ireland positioning itself as a ‘knowledge based economy’. He states that it is delusional to think that Ireland can be positioned solely as knowledge based economy and therefore will bear the threat of losing corporate investment to lower cost manufacturing economies such as India and China as they begin to produce their own high calibre graduates.

‘Focusing on entrenching Ireland as a base for high-paid knowledge based jobs is one strategy. However, we are deluding ourselves if we believe that most workers will not still have to do repetitive monotonous work, whether in manufacturing or services. The nirvana of a land of high-paid graduates will have to contend in a decade, with both China and India, which will be significant R&D centres, with huge numbers of high calibre graduates entering their markets each year’

(Hennigan, 2005)

An example of this prediction is to be found in a report by the Bank of Ireland (2005) noted by Hennigan (2005). With reference to the important role that the Irish Financial Services Centre plays in both attracting investment into the financial services sector and as a key element of overall economic growth, the report noted some interesting findings. One of which stated that US banking giant JPMorgan Chase is planning to hire 4,500 graduates in India over the next two years with the aim of moving 30 per cent of its back office and support staff at its investment bank offshore by the end of 2007(<http://www.finfacts.ie>).

3.7 The Business Climate Going Forward – Prognosis

According to a report by Enterprise Ireland (2006) the immediate Irish economic outlook looks favourable. Official forecasts for 2006 are for 4.8% GDP growth and 5.1% GNP growth. Employment is projected to rise by 3.5% and the unemployment rate to remain at 4.4%. Inflation is projected at 4%. The report states that the economy faces a very fortunate set of demographic circumstances over the next 15 years. However, there are dangers, in particular the ‘very high dependency on the building sector and the pace at which current construction levels are adjusted downward, rising levels of household debt, escalating cost levels, and the ongoing

threat of global economic and energy imbalances' (Enterprise Ireland economic report, 2006)

With regard to the growth of the economy, Hennigan (2005) notes that the significant influx of FDI continues to support the Irish economy into 2006. He points out that the big American companies use Ireland's low corporate tax rate of 12.5% and zero tax on patent income, to funnel profits from other overseas locations through Irish registered companies to reduce their global tax payments. Ireland is therefore being used as a tax haven, but one which may result in 'as much as €2.5 billion in additional revenue for the Irish Exchequer - sufficient to fund more than 5% of the Irish Government's planned current and capital spending in 2006' (Hennigan, 2005).

Speaking about Ireland's future competitiveness as a nation, Minister for Enterprise, Trade & Employment Micheál Martin, TD stated when referring to a recent (2006) national competitiveness report;

"I am confident that the forthcoming National Development Plan will address the physical infrastructural deficits over the next 7 years and I am putting in place the essential knowledge infrastructure through the Strategy for Science, Technology and Innovation to take us into the next phase of our economic development," . (NCC report, 2006).

The ESG report (2004) states that a new strategic direction is needed for Irish firms, one which complements their existing production and operational strengths. The first of these is to develop expertise in International markets, to promote sales growth and increase the reach of indigenous Irish firms internationally (ESG report, 2004). However, according to a report published by the Bank of Ireland in 2005, only a very small minority of Irish SMEs are growing their businesses enough to be able to export and enter international markets. The report states that only 3% of Irish SMEs are medium size with more than 50 employees. Overseas expansion and exporting are dependant on businesses growing to a medium sized enterprise, yet the research indicates that only 7% of Irish SMEs intend to expand abroad in the next twelve months (<http://www.finfacts.ie>). The contrast with the UK is evident, where medium

enterprises, which employ 30% of the workforce, are the ‘powerhouse’ of the economy (Hennigan, 2005)

The report goes on to discuss the ‘outward investment’ by Irish firms in foreign markets and acknowledges that this has previously been vastly disproportionate to the level of inward FDI, thus forming the base for this study. The need for further development of indigenous Irish companies both nationally and abroad cannot be more emphasized than in the following quote from the Enterprise Ireland report.

‘A recent trend has been an increasing level of expansion by Irish owned companies in the new EU accession states, in sectors such as electronics, construction, banking, and ICT. This outward flow is seen as complementary and even essential to the viability of their Irish operations. Studies of the outward direct investment phenomenon show it has positive benefits for the whole economy, with exports of finished goods being replaced by exports of headquarters services to foreign affiliates. Outward investment also boosts trade, technology transfer, and integration into global production networks, and is a catalyst for movement into higher value added activities. It marks a significant evolutionary stage in the development of the Irish economy and its integration into the global economy.’

(Enterprise Ireland economic report, 2006)

The justification for this study is inherent therefore and this chapter concludes by acknowledging that Ireland has indeed developed rapidly in the last twenty years, nevertheless, there is a need for more Irish companies to develop and grow their brands to achieve national and international presence.

3.8 Conclusion

This chapter has covered the environmental factors which influence indigenous Irish business. The intricacies of the Irish business environment were acknowledged through reference to texts, industry analysis and journalistic commentary. The next chapter details the most suitable research methodologies for this study.

Chapter Four

**Research
Methodology**

'I keep six honest serving men, (they taught me all I knew) their names were, what, and why, and when, and how, and where and who'.

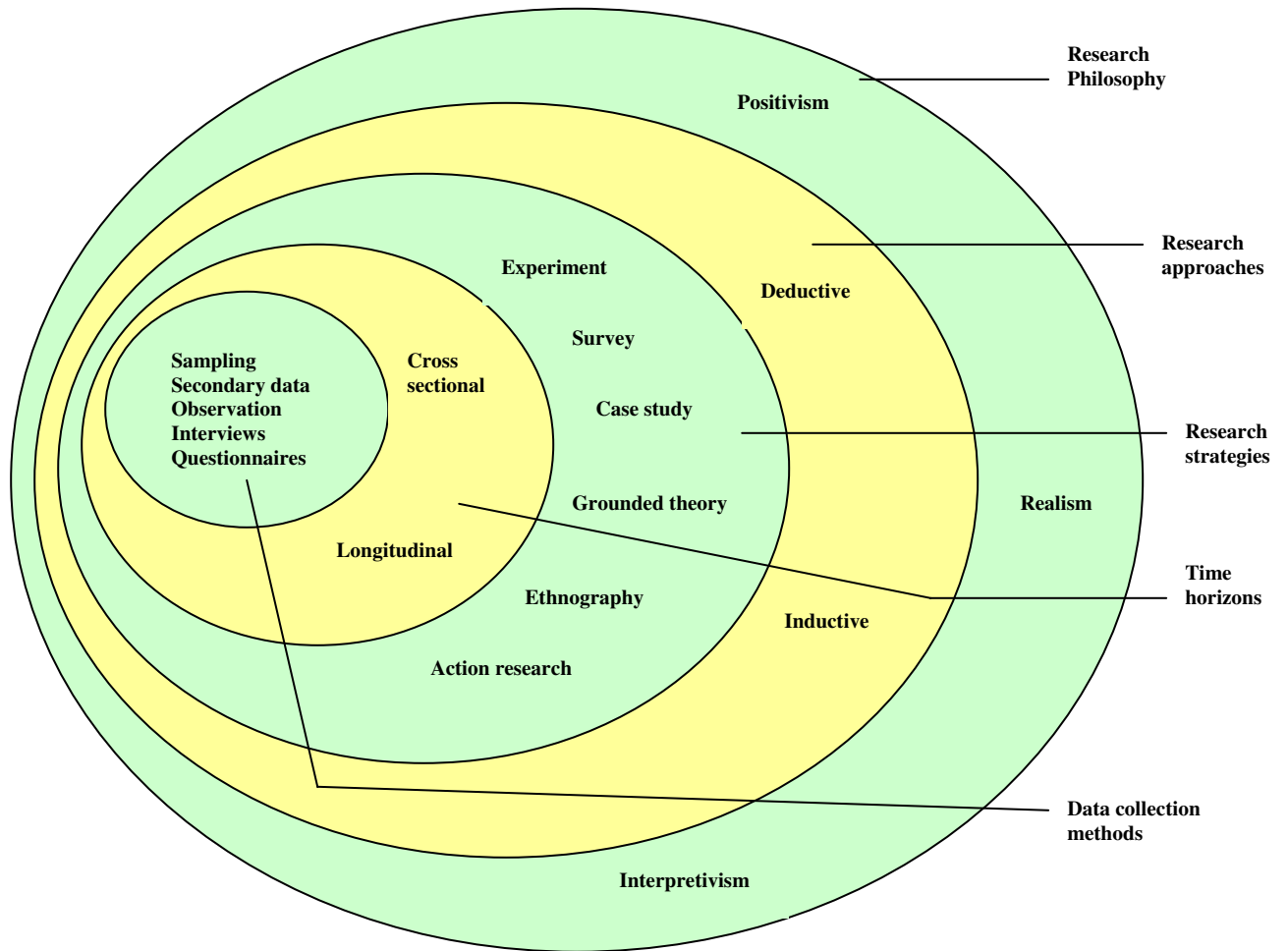
- Rudyard Kipling

4.1 Introduction

It is the objective of the methodology chapter to outline the particular rationale to conduct primary research. In order to do this and justify the specific research approach chosen it is necessary to compare the alternatives available. This chapter will outline the research paradigm, the specific area of research being studied and the subsequent methodology used in the study. An introduction to research paradigms is given and a justification for the chosen research paradigm will follow. Subsequently the author will discuss the research design and reasons for the choice of specific research approach and research strategy. Finally issues with regard to data collection and implementation of the research and analysis will be discussed and relevant extraneous issues dealt with.

The research objectives are the fundamental points from which research is both planned and conducted (Zickmund, 2003). The research objectives for the study will firstly be presented. These will shape the subsequent research design and implementation. Saunders et al (2003) outline a logical process for conducting research. They portray this visually in the form of a 'Research Process Onion' which can be seen in Figure 4.1. This chapter will follow Saunders et al's (2003) research process which addresses four key stages, research philosophy, research approaches, research strategies and data collection methods. Following on from these areas, the chapter then addresses the actual methodology employed and the relevant implementation issues.

Figure 4.1: The Research Onion



(Source: Saunders et al ,2003)

4.2 The Research Objectives

The purpose of the current research is to explore Irish brand practice and the elements which are key to the international development of Irish owned brands.

From this the following research objectives were formulated from which the research will hinge upon. The primary research objective of the study can be expressed as follows;

Research Methodology

- To conduct a study of Irish brand practice with the aim to exploring the elements which drive international competitiveness of indigenous Irish owned consumer brands.

The sub objectives are driven by the above primary research objective and are as follows;

1. To identify key strategies for creating and developing global brand leadership in an Irish context and to examine attitudes regarding the concept of a global brand.

Rationale: This objective looks to distinguish specific strategies for successful international development of Irish owned consumer brands. Factors relating to this within the literature will be explored with reference to brand management in Ireland.

The second part of the objective looks to explore the concept of a global brand and Irish brand managers' attitudes towards this. This also involves a clarification of a global brand definition.

2. To determine the key success factors in Irish brand development

Rationale: This objective looks to explore the factors for brand success in relation to an Irish context. Key success factors which are discussed in the literature will be explored with the aim to place importance on those relevant to Irish companies.

3. To identify obstacles and inhibitors to creating successful brand differential advantage for Irish companies and identify strategies to overcome these

Rationale: This objective aims to explore which factors prohibit Irish brands from developing internationally. Moreover, the objective also looks to explore the potential for prohibiting factors to be overcome and what strategies could be implemented to achieve this.

4. To examine attitudes from Irish brand managers' perspective, regarding Irish brand development internationally.

Rationale: This objective aims to explore brand managers attitudinal disposition to the international development of Irish brands.

5. To develop a set of recommendations for Irish brands seeking to enter new international markets and/or to strengthen their position in international markets

Rationale: The focus of the study is Irish brand development and therefore the exploration of methods regarding this is central to the study. Therefore recommendations as to how Irish brands can grow internationally is a critical aspect and warrants a stand alone objective in this research.

4.3 Discussion of Research Paradigms and Philosophy

4.3.1 Introduction

Research is important in both business and academic fields. However, confusion arises and there is no general consensus as to how 'research' should actually be defined. Amaratunga et al (2002) offer one reason for this, stating that research means different things to different people. Nevertheless, they propose several features that appear to be consistent amongst the many definitions of research. These state that research;

- is a process of enquiry and investigation;
- is systematic and methodical; and
- research increases knowledge.

Taking these points into account, it is subsequently important to understand where the process of research begins. Following Saunders et al's (2003) research process the first stage to be discussed is the research philosophy. The development of

knowledge and philosophical thinking has been an inherent feature of human development itself. To understand research philosophy and how it applies to the research study at hand, firstly the origins of knowledge development itself must be discussed.

4.3.2 The Development of Philosophy

Probably the most accepted definition of a paradigm is that of Kuhn in his seminal text 'The Structure of Scientific Revolutions' (1962). Here, Kuhn states that a paradigm 'is a set of linked assumptions about the world which is shared by a community of scientists investigating that world. Additionally this set of assumptions provides a conceptual and philosophical framework for the organised study of the world.' Paradigms therefore provide a structure to epistemological study. Furthermore a paradigm achieves the following objectives;

A paradigm (1) serves as a guide to the professionals in a discipline for it indicates what are the important problems and issues confronting the discipline; (2) goes about developing an exploratory scheme (i.e., models and theories) which can place these issues and problems in a framework which will allow practitioners to try to solve them; (3) establishes the criteria for the appropriate "tools" (i.e., methodologies, instruments and types and forms of data collection) to use in solving these disciplinary puzzles; and (4) provides an epistemology in which the preceding tasks can be viewed as organising principles for carrying out the "normal work" of the discipline to "make sense" of different kinds of phenomena but provide a framework in which these phenomena can be identified as existing in the first place (Filstead, 1979)

Here Filstead (1979) clearly outlines the benefits of adopting and understanding scientific paradigms as an approach to research. In addition, a further understanding of the development of philosophy of science in organisational research is necessary to comprehend why one adopts a certain philosophical paradigm and subsequently the research methodology and tools which are best suited to carrying out the research from a particular paradigmatic perspective.

4.3.3 Research Paradigms

There has been a longstanding epistemological debate amongst philosophers of science and methodologists as how best to conduct research. The crux of this debate concerns the relative value of the two fundamentally different schools of thought or inquiry paradigms, positivism and phenomenology (Amaratunga et al, 2002). The respective differences between the two views are noted by Hudson and Ozanne (1988). They contend that positivism concerns itself with scientific order and an objective view of the world whereas the phenomenological, or 'interpretivist' approach is fundamentally centred on a subjective viewpoint of understanding human experience in context specific settings. Both paradigms will now be discussed in more detail, firstly the Positivist approach.

4.3.4 Positivism

Around the end of the nineteenth century, social scientists began to adopt the positivist approach because it had been used with much success previously in many of the natural sciences (Hussey and Hussey, 1997, p. 52). Fundamental to the positivist paradigm is the notion of objectivity. Natural science experiments take an objective stance, and thus it follows that if positivism is adopted as a framework for research into the social sciences, then these must be viewed in the same way as a physicist, chemist or physiologist would investigate the natural sciences. Social life can thus be explained in the same way as natural phenomena (May, 2001). In addition May's (2001) characterisation of positivism is in terms of the 'prediction and explanation of the behaviour of phenomena and the pursuit of objectivity, which is defined as the researcher's 'detachment' from the topic under investigation' (p. 10)

In explaining some of the key differentiating features of the positivist approach, Donnelan (1995) speaks with reference to organisational research and in terms of quantification. She states that the positivist approach lends itself to quantitative methods resulting in numerical 'hard' data. In this approach the researcher takes an

objective stance from the phenomenon he/she is measuring and therefore bears no influence on results from which information is *deduced*. For the organisational researcher therefore, the positivist paradigm involves natural science experiments, researching objects and elements of the natural world. Doing this produces consistent, replicable, and irrefutable results for every experiment carried out, 'facts that can survive attempts at falsification' (Tribe, 2001). It is this declaration of results as 'truths' or 'covering laws' (May, 2001; p10) that provide justification for positivists to generalise results on social phenomena to make statements about the behaviour of the population as a whole. In sum, Comte's (May 2001) doctrine of positivism encapsulates this particular philosophy:

'Science is the only true source of knowledge, science can be extended from studying the world of physical things to studying human affairs, and human matters should only be investigated using the methods developed for studying the physical world'.

A balanced paradigmatic view was proposed by Walle (1997) who supported the role of positivist scientific research but also signified its potential problems, thus providing justification for alternative paradigms such as interpretivism; 'science provides a powerful methodology, however, it tends to eliminate the investigation of topics that are not easily attacked using its techniques'(p.532). Furthermore, Walle criticises positivism's oversimplification of reality in scientific terms. This oversimplification, results from the exclusion of phenomena that cannot be processed by its methods. The analyses of features or items with respect to their role as structural units in a system, i.e the emic methods, does however allow 'attitudes, motives, interests, responses, conflict and personality' (p. 529) into the research, thus providing for study of the phenomena as a whole rather than its individual features

4.3.5 Phenomenology

It was not long before some began to argue against positivism, making the distinction that the *physical* sciences deal with objects which are outside people whereas social sciences deal with action and behaviour which are generated from within the human mind. Therefore, the interrelationship between the researcher and that being researched was impossible to separate (Mangan et al, 2004). Born from this opposing philosophical standpoint, the phenomenological paradigm centres on the concept of developing understanding with respect to how social factors impact on human behaviour and vice versa (Donnellan, 1995). Here there is an interrelationship between researcher and phenomena, producing 'soft' data. The researcher integrates within the system being studied (Hirschman, 1986). This philosophy fundamentally supports the concept of *inducing* information from the data rather than using scientific methods to arrive at a deduction. The researcher and subject under inquiry are mutually interactive and moreover, the main goal of phenomenology is to gain understanding and derive meaning from socio psychological elements (May 2001; Tribe, 2001). Researchers adopting this paradigmatic approach do not believe that the absolute understanding can be achieved, but *an* understanding can be achieved (Hudson and Ozanne, 1988).

Indeed, everything is relative to its own context, thus understanding must be gained from a contextual viewpoint of the phenomenon under investigation. Subjectivity is fundamental to the belief under the phenomenological paradigm that multiple realities exist according to different subjects' contextual views of the world. This contrasts with the positivist doctrine which would propose the idea of a single objective reality that exists independently of the researcher (Tribe, 2001).

Born from the natural sciences, positivism is hypo-deductive in nature and centres upon numerical scientific quantification as means for understanding the world. In contrast and spawned from the social sciences, phenomenology is a relatively new approach to organisational research and more specifically to management studies

and marketing. Mangan et al (2004) suggest that the positivist paradigm is a “top down, outside in” research approach and that the phenomenological paradigm is a “bottom up, inside out” approach. To clarify this for example, in management decision making research, one could suggest positivism as useful for getting an overview and for considering the broad structure of decisions, and phenomenology for finding out at a ‘micro-level’ about the behaviour of the decision maker (Mangan et al, 2004).

Figure 4.2 below juxtaposes the characteristics of both research paradigms. Moreover, the table highlights that the two are at opposite ends of the philosophical spectrum.

Figure 4.2: Characteristics of Positivist and Phenomenological Paradigms

Characteristics of Positivist and Phenomenological Paradigms	
<i>Positivist Paradigm</i>	<i>Phenomenological Paradigm</i>
<p><i>Basic Beliefs</i> The World is external and objective Observer is independent</p> <p>Science is value-free</p> <p><i>Researcher:</i> Focus on facts</p> <p><i>Should:</i> Look for causality and fundamental Reduce phenomena to simplest events Formulate hypothesis to test</p> <p><i>Preferred: methods</i> Operationalising concepts so they can be measured</p> <p><i>Include</i> by taking large samples</p>	<p>The world is socially constructed and subjective. Observer is part of what is observed Science is driven by human interest</p> <p>Focus on meanings Try to understand what is happening look at the totality of each situation Develop ideas through induction From data.</p> <p>Using multiple methods to establish different views of phenomena Small samples investigated in depth or over time</p>

Source: Adapted from, Easterby-Smith et al (1991)

As can be seen from Figure 4.2, in research, paradigmatic positions are frequently discussed in terms of an antithesis between two schools of philosophy, generally

referred to as Positivism and Phenomenology (Mangan et al, 2004). Selection of either paradigm subsequently influences research decisions and drives a research project down a certain path, relative to whichever paradigmatic viewpoint has been adopted by the researcher.

However, such a dogmatic course of action can bestow the trap of thinking that one research approach is ‘better’ than the other (Saunders et al, 2003). This is certainly not the case; paradigms are adopted as bases for conducting research, subject to the nature of the study at hand. The problem that arises when conducting business and management research is often that *both* paradigmatic approaches can hold benefits for just *one* study. Yet, much literature suggests that the two paradigms are polar opposites and the researcher must uniformly adopt one approach or the other.

Resolution of this philosophical dilemma leads to another philosophical viewpoint, *pragmatism*. Supporting theory and ratification for pragmatism as a philosophical school has been prevalent for over a century, yet it has been overshadowed in the literature by the positivism versus phenomenology debate. Furthermore, it has only recently developed growing academic support as a valid paradigmatic viewpoint from which to conduct academic research. The author will now discuss Pragmatism in more detail.

4.3.6 Pragmatism

Pragmatism is a philosophy first brought to the forefront of academic attention first by Charles Pierce (1878) and John Dewey and subsequently by William James (1906). Essentially, it is a philosophical viewpoint of which the focus is ultimately on what practical outcomes can be achieved between two rival notions or views.

The term pragmatism is derived from the Greek word *pragma*, meaning action from which the words ‘practice’ and ‘practical’ derive. Charles Pierce introduced pragmatism into philosophy in the article entitled ‘*How to Make Our Ideas Clear*’, found in the *Popular Science Monthly* journal (James, 1904). The philosophy,

according to James (1904) lay unnoticed for twenty years until it was applied to religion in a philosophy union lecture at the University of California in 1898. From then on it became much more prevalent within philosophical circles and it has been publicised in recent years by Richard Rorty (2003) whose book 'Consequences of Pragmatism' contains many essays on the topic.

4.3.6.1 Fundamental Concepts of Pragmatism

According to James, pragmatism or the pragmatic method, attempts to settle metaphysical disputes that might not be interminable, attempting to 'interpret each notion by tracing its respective consequences' (James, 1904; p2). The thinking behind this philosophy is as follows; by attempting to determine what practical 'truthful' consequence may unearth as a result of taking one side of a dispute or the other, it is hoped that this 'forward thinking' can then render settlement of the original dispute and thus a uniform decision as to one notion or the other can be made. Speaking about the fundamentals of the philosophy James states;

'There can be no difference anywhere that doesn't make a difference elsewhere-no difference in abstract truth that doesn't express itself in a difference in concrete fact and in conduct consequent upon that fact, imposed on somebody, somehow, somewhere and sometime. The whole function of philosophy ought to be to find out what definite difference it will make to you and me, at definite instants of our life, if this world-formula or that world-formula be the true one' (1904;p3)

James goes on to say that such determination of what constitutes a truthful outcome in the future is subject to what can already be stated as a general axiom in the world in the present (1904: p3). In addition James adds that if no practical difference whatever between two notions can be traced then practically, the alternatives mean the same thing and all dispute is idle.

James's seminal viewpoints as to the essence of pragmatism are supported by Rorty (2003) who states that, for the pragmatists, the pattern of all inquiry – scientific and moral- is 'deliberation concerning the relative attractions of various concrete alternatives' (2003: p164). Still, however, many philosophical traditionalists (i.e. positivists and phenomenologists) pour scorn upon the pragmatist insisting that pragmatism is 'not really' a philosophy. In response, Rorty (2003) notes that pragmatists would defend themselves by stating that one can be a philosopher precisely by being anti-philosophical. That is, for the pragmatists' philosophy, the best way to make things 'hang together' is to step back from the issues between positivism and phenomenology and give up many of their presuppositions of philosophy, thereby creating alternative philosophy (Rorty, 2003).

4.3.6.2 Pragmatism as a Research Philosophy

Recent supporters of the pragmatism approach such as Tashakkori and Teddlie (1998) have noted how pragmatism has fast become prevalent as a philosophy for use in research. They pay reference to what they term the 'paradigm wars' which arose as a result of the stark contrasts between positivism and phenomenological methods. According to Tashakkori and Teddlie (1998) it was believed impossible to fuse the two philosophies for use in a singularised research approach. From this conflict, resulted the 'incompatibility thesis' which was fundamentally focused on the belief that the two schools of thought, positivism and phenomenology were so incompatible that anyone who attempted to combine the two was doomed to failure due to the inherent differences in the philosophies underlying them' (Tashakkori and Teddlie, 1998) .

Pragmatism thus became a recognised alternative to the obligatory selection between positivism or phenomenology. This happened as, over time, more and more academics began to advocate that perhaps the benefits from both paradigms *could* be extracted for the one research approach. It was as a result of the increase in

popularity of mixed methodological approaches in research, that pragmatism gained credit (Tashakkori and Teddlie, 1998).

The term *paradigm relativism* (Tashakkori and Teddlie, 1998) has been adopted by many theorists and researchers recently. The idea centres on the belief that the use of whichever philosophical or methodological approaches is necessary if they contribute to the suitability and subsequent effectiveness of the research at hand.

In methodological terms, with regard to the debate between positivism and the phenomenological approach, pragmatism argues that if neither approach can produce a concrete practical outcome which satisfies the dispute or question at hand, or if the two rival views mean practically the same thing, then this renders the original dispute idle (James, 1904). Therefore, pragmatism rejects the forced choice between positivism and phenomenology with regard to epistemology, logic and method. Concerning the research at hand, the author saw the practical benefits of both positivist and phenomenological methodologies, thus pragmatism provides for the use of both philosophies whilst still operating within the realms of one specific philosophy.

4.3.7 Justification of the Chosen Paradigm

The choice of pragmatism as the philosophical viewpoint which underpins the current research was based on the fact that the author wishes to satisfy the research question and thus the research objectives as fully as possible. No prior epistemological stance had been adopted before the research question was posed. This would have influenced both the research question and the subsequent research objectives indirectly. From a pragmatist point of view, the research question is considered to be more important than either the method used or the worldview that is supposed to underlie the method (Tashakkori and Teddlie, 1998). This was the case for the research at hand. Satisfying the research question is of prime importance, and thus whichever methodological approaches are best suited to doing so will be

employed. This practical stance is supported by Brewer and Hunter (1989) who state that pragmatism provides for researchers to focus on what approaches will best suit the research question at hand, by attacking the problem with the widest array of conceptual and methodological tools available. This results in the most effective research processes which will yield valid and relevant results.

The underlying feature of the pragmatism philosophy is the justification it provides for using the most suitable methods available in order to best satisfy a research question practically. That is, pragmatism provides for the combination of research methods which stem from varying epistemological viewpoints, such as both quantitative and qualitative methods (Tashakkori and Teddlie, 1998). Using combined methodologies under a singular research approach can bring additional empirical quantitative evidence and also added qualitative insight into the phenomenon under investigation.

The author ruled out adopting solely a positivist or phenomenological paradigm as these philosophies generally only provide for use of either quantitative or qualitative methodologies. The topic of branding relates to all aspects of business functions. For this research the most appropriate methodology to encompass all aspects of branding would be one which involves mixed research methods. Therefore the research methodology should provide for the inclusion of all data quantitative and qualitative as both could prove significant in understanding Irish branding practice and moreover, the critical success factors in the International development of Irish brands.

4.4 Research Approaches

4.4.1 Relationship Between Research Philosophy and Research Methodology

According to Creswell (1994), the design of a study begins with the selection of a topic and a paradigm. Paradigms in the human and social sciences help us

understand phenomena by ‘advancing assumptions about the social world and what constitutes proof’ (Creswell, 1994). The chosen paradigm underpins the methodological approach to the study. That is, the paradigm the researcher has adopted in order to study the phenomenon at hand will influence the particular methodological approach to the research and the research tools that will be used to carry out the study.

According to (Amaratunga et al, 2002), the critical issue concerning research design is not whether one has uniformly subscribed to a particular paradigmatic view, but whether one has made sensible methods decisions given the purpose of the study, the phenomenon under investigation and the resources available. With this in mind, it is crucial to know about the methodological paradigms debate in order to appreciate the reasoning behind specific methods decisions and why they are so crucial. Easterby-Smith et al (2002) describe the relationship between research philosophy and research method is an important one as it allows one to:

- Take a more informed decision about the research approach;
- Decide which method(s) are appropriate for the piece of research, and;
- Think about the constraints which may impinge on the research

The issues pertaining to the methodology employed and research methods used to carry out the study will now be discussed. Two main research methodologies are available to the researcher, quantitative and qualitative. These methodological approaches and their subsequent research methods will now be discussed in more detail.

4.4.2 Qualitative and Quantitative Methodology

The real challenge in any research project is to turn data into a rigorous, theoretically informed analysis of a well defined question or problem. Travers (2002) states that this challenge is underpinned by the fact that many researchers fail to

distinguish properly between the terms ‘method’ and ‘methodology’. Methods are techniques used in collecting data; these will be discussed further in this chapter. Methodology however refers to ‘the assumptions you have as a researcher, which can be epistemological or political in character, or mean that you support the view of the world promoted by a particular tradition’ (Travers, 2002). The methodology employed for this study is both quantitative *and* qualitative in nature and therefore takes on the epistemological character of assumptions held in the pragmatist tradition.

4.4.3 Quantitative Methodology

A positivist paradigm, being scientific in nature would often drive a quantitative approach to the research. The focus would be on specific features of a certain phenomenon that can be tested producing definite data in numeric form that can be replicated and scrutinised. An interpretivist paradigm, being humanistic in nature, will drive a qualitative approach to the research. The methodology will be influenced to focus on aspects of social science, that is, people’s attitudes, motivations and behaviours within a given context or setting (Hakim, 1987).

Lehmann et al (1998) note the major difference between quantitative and qualitative research as a difference in *focus*. To elaborate on this point, they state that quantitatively based satisfaction studies typically focus on getting an overall satisfaction score as well as respondents’ ratings of subdimensions, determinants of, and likely consequences of, satisfaction. In contrast a qualitative study of satisfaction with technological consumer durables (computers, answering machines etc) for example would focus much more heavily on the meaning the products take on their owners’ lives (Lehmann et al, 1998).

4.4.4 Qualitative Methodology

According to Potter (1996), some authors have been reluctant to define the term 'qualitative'. Generally however, it is accepted that the qualitative paradigm is primarily concerned with understanding (Sampson, 1967). Nachmias and Nachmias (1996) state the importance of deriving understanding in qualitative research as they state that the researcher must gain an 'empathetic understanding of societal phenomena and they must recognise both the historical dimension of human behaviour and the objective aspects of the human experience'(pp280). According to the German sociologist Max Weber (1864-1930) social scientists, in order to understand the behaviour of individuals and groups, must learn to 'put themselves into the place of the subject of inquiry'. Such theory has underpinned the qualitative methods used in research today (Travers, 2002).

Qualitative methodologies are shaped in order to encapsulate a view of the phenomenon within its own context. The goal is to gain insight and further understanding from a humanistic perspective, of the phenomenon being studied. Potter (1996) argues however, that the distinction between the two approaches is not clear and to simplify them would be to ignore specifically the complexity of the qualitative approach. He states that there are two types of qualitative scholars. One type rejects the scientific approach as a means for studying human behaviour, the other accepts the basic goals of science but rejects some of its procedures. For example, an ethnographer could look for patterns across individuals' behaviours (Hakim, 1987), but still reject the hypothetico-deductive method of beginning with a general explanation, then testing it through operationalisation. In effect therefore, it is possible to be scientific in research without the research being fully quantitative in nature (Potter, 1996).

In terms of epistemology (the relationship of the researcher to that being researched) the qualitative position holds that the researcher interacts with the study. The distance between the researcher and subject is minimised. Axiological issues arise

here because the researcher's own values are included into the study (Creswell, 1994). What is accepted as a general axiom is much easier to state when conducting quantitative research, as researcher's own values are excluded from the study and only the 'facts' are written. Hague and Jackson (1999) note that so much of the quality of information gathered from the data depends on the skills of the researcher. This view is supported by Gummesson (2005) who advocates the addition of individual researcher values to a research project, even so far as calling for every researcher in marketing to design his or her individual research approach, one that suits the personality of the researcher.

However, this admission of researcher values to the study does not diminish the validity of the data. Instead, it forms the starting point for the gathering of rich, humanistic, sociologically based data which is context specific to a single constructed reality. This provides great insight into the phenomenon at a certain point in time and probes deeper into the human attitudinal and psychological motivations further than any quantitative study could reach. The great strength of qualitative research is the validity of the data obtained due to its depth and detail (Hakim, 1987). Academic rigour within qualitative research methods is further warranted by the fact that qualitative methodology has stemmed from other intellectual disciplines such as clinical psychology, sociology and anthropology (Hague and Jackson, 1999; Hakim, 1987).

4.4.5 Induction and Deduction

The key distinction between qualitative and quantitative approaches is often noted as methods of *deduction* or *induction*. Both were briefly mentioned earlier in this chapter. Firstly, deduction refers to scientific testing of hypothesis, from which, information can be *deduced*. Saunders et al (2003) state that deduction involves the development of theory, 'which is subject to a rigorous test' (p86). Quantitative methodologies are geared around this fundamental concept, usually with the aim of

explaining causal relationships between variables. Amaratunga et al (2002) state that deduction is fundamental to the positivist tradition which centres upon atomism – that is, objects of experience are atomic, independent events. In addition, a further key factor of deduction is the ability to generalise findings that is, *generalisation*. Here Amaratunga et al (2002) purport that generalisations can be made from a finite set of events in the past to predict future events. So, if research has been conducted across a sufficiently large sample, then inferences can be made about regularities in human social behaviour, thus findings can be generalised (Saunders et al, 2003).

Induction, on the other hand, relates to qualitative approaches. It differs from deduction in that theory is induced and is developed from primary data, rather than the opposite, where data is extracted from existing theory and then tested. In contrast with deduction, causation does not refer to regularity between separate things or events ‘but about what an object is likely to do and what it can do, and only derivatively what it will do in any particular situation’ (Amaratunga et al, 2002: p19). The concept of induction fundamentally centres upon understanding how humans interpret their social world (Saunders et al, 2003). Developing greater understanding and gaining insight into human behaviour using techniques other than those with numerical tendencies can prove beneficial for theory production and development.

According to Kekale (2001) simply, deduction is typically used when making general theories about observations and induction is used when testing theories to reality. Figure 4.3 below further clarifies the different approaches to research of induction and deduction.

Figure 4.3: Deductive and Inductive Methods

Deduction emphasises

- Scientific principles
- Moving from theory to data
- The need to explain causal relationships between variables
- The collection of quantitative data
- The operationalisation of concepts to ensure clarity of definition
- A highly structured approach
- Researcher independence of what is being researched
- The necessity to select samples of sufficient size in order to generalise conclusion

Induction emphasises

- Gaining an understanding of the meanings humans attach to events
- A close understanding of the research context
- The collection of qualitative data
- A more flexible structure to permit changes of research emphasis as the research progresses
- A realisation that the researcher is part of the research process
- Less concern with the need to generalise

Source: adapted from, Saunders M. Lewis L. and Thornhill A (2003) *Research Methods for Business Students*, 3rd Ed. Prentice Hall

Importantly, Easterby-Smith et al (2002) note that knowledge of the different approaches allows the researcher to adapt the research design and cater for constraints. Saunders et al (2003) support this view by arguing that categorising between approaches can sometimes be misleading and could indicate that both approaches are mutually exclusive. Moreover, they state that this is not the case and they support a combination of both approaches in the same piece of research, noting that it is 'often advantageous to do so' (p88). This brings the discussion onto the use of a mixed approach to research, and the benefits that can be brought to research by combining deductive and inductive approaches.

The supporters of pragmatism share the conception that qualitative and quantitative methods should be viewed as complementary rather than as rival camps (Jick, 1979). More recently, support for mixed methods, often referred to as ‘*triangulation*’ (Webb et al, 1966; cited in Jick, 1979) has come from authors such as Kekale (2001), Mangan (2004), and Amaratunga et al (2002). Using a mixed methods approach has implications for the particular *strategy* the research will take thus mixed methodological approaches will ‘triangulate’ the research.

This turns the study towards the use of particular research strategies. According to Saunders et al (2003) a clear and justified research strategy from the outset is crucial for any research study. In particular, a mixed methods strategy will be discussed with reference to the study at hand. In this section the research strategy set out for the purpose of this study will be discussed and explained in detail.

4.5 Research Strategies

Drawing on Saunders et al’s (2003) research process, the third logical stage which is crucial to the overall research project is which research strategy to take. Three choices in the selection of research approach are presented by Tashakkori and Teddlie (1998); these are, monomethod studies, mixed model studies and mixed method studies. In line with Saunders et al (2003), the researcher must make a decision with regards to which strategic approach to adopt when conducting business research.

4.5.1 Mixed Methods Approach

It is crucial for any researcher to justify their strategy. According to Saunders et al (2003) the research strategy should reflect the fact that the researcher has thought carefully about why their particular strategy will be employed. With regards to the research at hand, the strategy employed directly relates to the initial research

objectives set out at the beginning of this chapter. The author feels that a mixed methods approach (also referred to as the multi method strategy) is best suited to satisfying the research objectives. Furthermore, using a mixed methodological approach has been noted recently as a trend in management research, and is increasingly providing multidimensional insights into many management research problems (Mangan et al, 2002).

Adopting a quantitative approach initially in the first phase of research and then adopting qualitative methods in a second phase will triangulate the research. The methodology for the research will take this particular mixed methods approach and the reasoning for this is as follows. Quantitative techniques such as a questionnaire can provide a broad picture of the current branding situation for Irish business to consumer (B to C) firms. In addition, business performance is measured in quantitative terms. Statistical, factual evidence concerning brand practice will yield general information about the current state of branding activity in Ireland. From this, more specific insight can be gained through further exploration of the key findings. Why is this needed? Because a “root and branch” analysis of the foundations of branding practice is required in order to explore the area of international development for Irish owned brands.

4.6 Justification for the Quantitative Survey Methods

The first phase of the research will consist of a structured questionnaire targeting marketing and brand managers from indigenous B to C Irish companies. According to Easterby-Smith (1991), quantitative research helps to search for causal explanations and fundamental laws, and generally reduces the whole to the simplest possible elements in order to facilitate analysis. However, as research developing indigenous Irish brands limited, this survey will attempt to gather data with regards to more general branding practice and activity amongst indigenous firms. Data will be gathered on business performance such as;

- Market / Brand positioning
- Brand strategy, tactics and implementation
- Financial investment afforded for brand building activity
- Attitudes towards International brand development

The structure of the survey and the questions posed to respondents will be developed from the supporting theory discussed in the literature review. The empirical results of the survey can then be used to shape theme sheets for use at the second phase of the research and these key themes then be explored in more detail using qualitative methods.

4.7 Justification of Qualitative Methods

The human capital involved in building brands warrants further exploration as a key function of branding practice. Qualitative techniques such as in depth interviews can therefore explore these issues. Using a triangulated approach for the study of the phenomenon at hand will add greater depth, rigour and credibility (Miles and Huberman, 1994) to the study and moreover, augment the external validity (Amaratunga et al, 2004) of the research.

4.8 Triangulation

It was Denzin and Lincoln (1994) who categorised various types of triangulation. According to these authors, triangulation methods can adopt four distinct forms which are as follows;

- data triangulation;
- investigator triangulation;
- theory triangulation;
- methodological triangulation.

Data triangulation involves using a number of different data sources. For example, data can be produced using the same techniques but the context or environment (such as different geographical locations, or points in time) might be different. *Investigator triangulation* refers to the simultaneous investigation of a singular phenomenon by different researchers. This allows the researchers to compare and contrast, augmenting the validity of the research. *Theory triangulation* relates to the approach of a research question from different theoretical perspectives. Finally, *methodological triangulation* can be divided into two subtypes and is the specific triangulation technique that will be used in this study.

Concerning the study at hand and according to Denzin and Lincoln (1994), this study will employ the '*between / across methods*' type of methodological triangulation. The '*between/across methods*' type is used to cross-validate two or more separate methods in terms of congruence and comparability. Similar to a study by de Chernatony et al (2002), the reasoning behind this is to provide a more holistic perspective on branding practice in Ireland by incorporating different methodological approaches, in order to research in greater depth the key elements involved in developing internationally competitive Irish owned brands. In addition, it is envisaged that this technique of triangulation will also augment the external validity and reliability of the research findings. This viewpoint is supported in the literature by Scandura and Williams (2000) who state that;

'..Triangulation should improve the ability of researchers to draw conclusions from their studies. The use of a variety of methods to examine a topic might result in a more robust and generalisable set of findings (higher external validity). Further, recommendations for managers could be made with greater clarity and confidence.'
(p1250)

Nevertheless, triangulation is not without its weaknesses. Perhaps the notable lack of mixed method research amongst academics is due to the practical concerns inherently linked to triangulation, such as strain on resources and time constraints.

Saunders et al (2003) also note the problems that mixed methods incur for the researcher, such as how to know which research method is best to use in which situation. Again, this comes back to the issue of internal validity and whether or not triangulation methods are biased in the same way and moreover, whether they actually all address the same research issue (de Chernatony et al, 2003).

In the same vein as a study conducted by de Chernatony et al (2002), the advantages of one technique will be used to counteract the flaws of another. Furthermore, with regard to the issue of different triangulation methods addressing the same research problem, the author again subscribes to de Chernatony et al's (2003) view. That is, it is believed to be a positive aspect of the research strategy that multi-faceted concepts such as branding practice and brand success are approached from different methodological angles, thus employing a more holistic and inclusive approach to researching these concepts. Mason (2002; p 190) also supports this when stating that triangulation 'encourages the researcher to approach their research questions from different angles, and to explore their intellectual puzzles in a rounded and multi-faceted way... it suggests that social phenomena are a little more than one-dimensional, and that (your) study has accordingly managed to grasp more than one of those dimensions'.

The usefulness of methodological triangulation, hinges upon the goals of the researcher (de Chernatony et al, 2003). In the current study, the aim was to use different data sources to increase the reliability and validity of the final outcome of the research and also in order to gain a more complete picture of the branding situation with regard to international development of indigenous Irish brands. Branding practice and brand development / internationalisation are complex, broad areas involving many inherent concepts. Delving into these areas in an attempt to explore and gain insight into the key success factors for building successful Irish international brands was thus an ideal case for the use of triangulation methods. As such, and in line with de Chernatony et al (2002), combining methodologies which generate different sets of data (each set relating to the original research objectives and the concepts herein) would be a useful and productive solution to the research

problem. The limitations of qualitative and quantitative methodologies are not all of the same nature, leading to the strengths of one measure counteracting the limitations of another (de Chernatony et al, 2003).

4.9 Facilitation and Sequential Methods

The triangulation strategy employed for the research is intended to *facilitate* the research for more informative findings. A sequential approach to research involves using one research methodology prior to another (Tashakkori and Tedlie, 1998; Creswell, 2003). Bryman describes this sequential approach in more detail by stating that it is multi-strategy research, geared towards facilitation. ‘it sees one research strategy employed to aid the other research strategy’ (2001: p447).

According to Creswell (2003) the sequential approach is often a popular choice amongst graduate students or novice researchers. For example, certain facets of a concept or hypothesis can be tested in a quantitative manner and then validated, further explored and interpreted by using qualitative methods. The sequential methods of triangulation hitherto discussed have been ‘two phase’ only. The ‘two phase’ design is the simplest of sequential mixed method designs (Tashakkori and Teddlie, 1998). However, researchers can make further innovative uses of quantitative and qualitative methods where further phases of research are warranted.

4.10 The ‘Halo Effect’

One factor in deciding to adopt a triangulation approach was to attempt elimination of the ‘halo effect’. The ‘halo effect’ is a notable phenomenon encountered by many researchers (Leuthesser et al, 1995). Often respondents may be reluctant to divulge truthful information regarding their decisions or experiences and thus only provide a “polished” answer or response which they think the interviewer wants to hear (Leuthesser et al, 1995). It descends from the psychology fields and has been

defined by MacDonagh and Weldridge (1994) as a judgement or perception made on the basis of one characteristic.

With regard to this study, there is the possibility that the ‘halo effect’ may become a feature of the research. The results gathered from the phase one research might show contradictions in respondents’ answers in phase two and thus reduce the risk of solely gathering ‘halo effect’ data from respondents in the second phase. This factor further justifies a mixed methods approach, which would minimise halo effects in respondents answers.

4.11 Data Collection Methods

Keeping with Saunders et al’s (2003) research process, the next decisions that must be made, concern the choice of data collection methods to be employed.

The most commonly used methods in business research include surveys, in depth interviews and case studies. Other methods such as observation, focus groups and secondary data are indeed used but perhaps to a lesser degree (Saunders et al, 2003). This section will briefly review the methods available to the researcher, subsequently justification will be given for the specific methods chosen, and these will then be discussed in detail.

4.11.1 The Quantitative Survey Method

Aaker et al (2003), note that the survey method of quantitative data collection is that most used by researchers. They contend that a survey can draw a great deal of information from an individual at one time. It is particularly common in business and management research (Saunders et al, 2003), social studies (Synodinos, 2003) and economic research (www.cso.ie, www.ersi.ie).

Zickmund (2003) defines the survey method as ‘a research technique in which information is gathered from a sample of people by use of a questionnaire or interview’(2003: 742). The term questionnaire can be interpreted in different ways. For example, some authors such as Kervin, (1999; cited in Saunders et al, 2003 p281) reserve the term questionnaire to relate exclusively to instances where a respondent records their own answers. For the purposes of clarification and in line with Saunders et al (2003) and de Vaus (2002) this study will consider the word questionnaire to include multiple methods of quantitative data collection, where respondents answer questions in a pre determined and structured order. Malhotra (2005) develops this point by stating that questions in a questionnaire may be asked verbally, in writing, or via a computer and the responses can be obtained in any of these forms. He further clarifies the term ‘structured’, noting that it refers to the ‘degree of standardisation imposed on the data collection process’ (Malhotra, 2005; 224).

The question then arises should the survey be structured or unstructured? Tull and Hawkins (1990) purport that a structured survey keeps interviewer bias at a minimum in contrast with unstructured techniques, which are used more in exploratory surveys.

According to Saunders et al (2003) the structured survey provides an efficient way of collecting responses from a large sample prior to quantitative analysis. In the context of the research at hand, using a structured survey will best facilitate the gathering of general data on branding practice across industries. It is therefore the most suitable method available in order to satisfy the original research objectives.

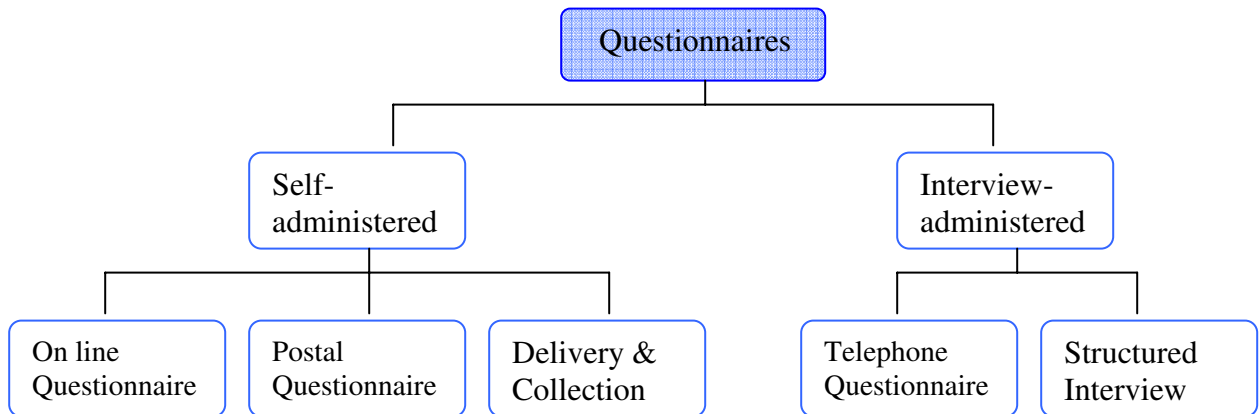
4.11.2 Types of Questionnaire

Importantly, Oppenheim (1999) makes a broad distinction between two types of survey; (1) the descriptive, enumerative type and; (2) the analytical relational type of

survey. In detailing the differences between the two, Oppenheim notes that descriptive surveys have a main purpose – to count. Moreover, when it is possible to count everyone this is then referred to as a census (Malhotra, 2005; Aaker et al, 2001). When this is not possible, a representative sample is counted and inferences are made about the population as a whole. Descriptive surveys chiefly inform the research with regard to how many (or what proportion of) members of a population hold a certain opinion or characteristic; they are not designed to ‘explain’ anything or to ‘show causal relationships between one variable and another’ (Oppenheim, 1999). This type of survey differs to a causal survey which has its roots in scientific method and in essence moves away from enumeration and attempts to analyse causality, and the moderating effects between specific variables. The nature of this study lends itself to the construction of a descriptive survey rather than one which is analytically based. The gathering of data in order to get a broad picture of branding activity amongst Irish owned consumer brands is descriptive in nature and cross sectional, rather than longitudinal in design.

As surveys can adopt many forms of contact with respondents, it is necessary to outline these in order to determine the method best suited to this study. Saunders et al (2003) note that the design of a questionnaire is influenced according to how it is administered. They therefore outline a popular typology of survey method, as seen in Figure 4.4 below; The two main forms of survey administration consists of self administered and interviewer administered methods. The method of contact for both these methods can then be split into differing means of communication with respondents.

Figure 4.4: Survey Methods



(Adapted from: Saunders et al, 2003: 282)

The type of survey adopted depends on the context of the research project, such as the objectives of the study, the resources available, the timeframe and the type of questions posed to the specific target group or sample (Saunders et al, 2003). The geographical distribution of the target group of respondents (Synodinos, 2003) will be a key influencing factor. In addition, respondents' personal characteristics, such as education levels and possible interest levels in the study (Fowler, 1993) will also influence the decision. Furthermore, the researcher must also consider whether the target respondent is an individual, a family, group or an organisation (Saunders et al, 2003).

Ultimately however, the resources available to the researcher will most likely be the greatest factor which dictates the survey method to be used. This includes the time apportioned for the research, the finances available, human resources and facilities for conducting research (Saunders et al, 2003; Malhotra and Birks, 2005; Synodinos, 2003).

With regard to this study, there were a number of possible data collection methods available, each with their relative advantages and limitations. The study targets managers of Irish owned consumer brands and thus the subsequent data collection methods will be discussed in more detail with a view to selecting the most

appropriate method to satisfy the research objectives and relative to the resources available for this study.

4.11.3 Telephone Survey

The telephone survey method is particularly useful for gathering information from large samples. Malhotra (2000) observes that often respondents are more likely to answer a phone than engage in face to face communication. Aaker and Day (1990) conceptualise this further by describing a ringing telephone as an 'irresistible intruder' compelling people to answer.

Yet there are disadvantages. As Malhotra (2000) notes, telephone interviews are short in length to account for the fact that no visual aids can be used, and the fact that there are often only a few specified answers to questions. Most importantly, the issue of cooperation when conducting telephone interviews was considered to be the main reason for excluding this method of data collection. As Rubin (2000; cited in Zickmund, 2003:209) notes, in the last decade, telephone response rates have dropped from forty percent to around fifteen percent.

With regard to the research at hand, this last point is particularly important. Zickmund (2003) notes that corporate executives are difficult to reach because secretaries may be hesitant to forward calls; part of their job may be to minimise the number of telephone interruptions per day. It is for this reason that telephone interviews are ruled out for use in this study.

4.11.4 Personal Interview

McDaniel and Gates (2001) primarily note the simplicity of this approach, contending that the most used in practice is the mall intercept method where interviews are conducted in shopping malls or other high traffic locations by intercepting shoppers/passers by and interviewing them face to face. McDaniel and

Gates (2001) along with other authors (Aaker et al, 2001, Domegan and Fleming; 1999) concur that time and travelling could be limitations to this technique in that the interviewer must be present to ask questions and respond to any confusion or clarify complex issues. Alongside this, there is potential for interviewer bias due to the tone of voice and the way questions may be phrased.

4.11.5 Self-Administered Questionnaire

A self administered questionnaire is a questionnaire that is completed by the respondent rather than the interviewer (Zickmund, 2003). For business researchers, there are many methods of distributing self administered questionnaires; they can be inserted in magazines, sent by post, posted on the internet or sent by email. The diverse nature of self administered questionnaires poses a challenge for business researchers because they rely on the clarity of the written word rather than the personal skills of the researcher (Zickmund, 2003). Having briefly discussed some of the advantages and limitations of different survey methods the author concludes that when related to the objectives at hand, plus the time, resource and budgetary constraints of this study, a self administered questionnaire is most appropriate. The anonymity of this method is also a reason why it was deemed appropriate as respondents may wish to respond to certain questions privately rather than face to face, especially concerning their company's financial and strategic issues with regards to branding. However, respondents will be provided with contact details for the author in case of any queries or in order to deal with any problems respondents may encounter.

The question thus arises about what type of self administered questionnaire will be used?

4.11.6 Mail Surveys

This survey method involves mailing a questionnaire to pre-selected respondents either by post or by email. Incentives are often used for mail interview methods in order to increase the response rate which can be very low Malhotra (2000). As noted by Dillman (2000), obtaining responses to self administered questionnaires from businesses is an extremely difficult challenge that market researchers face. This is emphasised by his claim that the average response rate, in selected business journals published in the 1990's, was 21 percent for business surveys.

The advantage of this method are that mail surveys are beneficial for covering a wide geographic spread of respondents (Saunders et al, 2003) which have been previously identified from mailing lists. There is also anonymity for these respondents and interviewer bias is avoided.

However, the absence of an interviewer has implications in terms of the level of control the interviewer has over the research method. This affects the accuracy of data as the researcher does not know if, or who a respondent has consulted for answers (Burns and Bush, 1995). In contrast, email based surveys offer the researcher more control over the research method as emails can be sent directly to the desired respondent and furthermore they are mostly opened and read by users at their own personal computers (Saunders et al, 2003).

The duration of the survey must also be taken into account. In general, it will take longer to organise, distribute and collect postal surveys than email surveys (Malhotra and Birks, 2005). However, longer time allocation can often be beneficial to increase response rates, allowing respondents more time to complete the survey. An example of this would be the recent 2005 national Census (www.cso.ie). Email surveys allow for quicker responses from computer literate people and in general will be much cheaper than postal surveys (Saunders et al, 2003). Zickmund (2003) further notes that email surveys (internet surveys) are the 'wave of the future for

researchers' (pp:221) due to the fact they are speedy and cost effective, have visual appeal and interactivity, can access accurate real time data and facilitate respondent anonymity and increased response rates.

Due to the time and financial constraints imposed for this study, email distribution method is preferred over any other. Furthermore, this study is targeting a very specific population, so, greater confidence that the right person has responded will be provided with an email survey. The target population are time conscious people, thus, a link to an email based survey which can be completed and returned instantly via email is the most suitable data collection method for this study.

4.11.7 Increasing Response Rates

As mentioned earlier, on average the response rate for business surveys is 21 percent (Dillman, 2000). Moreover, a poorly designed mail questionnaire can expect at most a response rate of close to 15 percent (Zickmund, 2003). Increasing response rates is therefore a crucial aspect to the validity and reliability of the data. Some methods for increasing response rates for business mail surveys will now be discussed.

Cover Letter

A number of options are available to the researcher to increase response rates. Firstly a well written cover letter to entice respondents to partake in the research is important. Zickmund (2003) highlights the importance of capturing the reader's attention in the first paragraph in an informative manner which also explains the context of the research. Research by Dillman (2000) has in fact shown that information included in the cover letter has a direct affect on response rates. The cover letter should also be sent with the questionnaire rather than using a separate attachment (Saunders et al, 2003). For this study an email cover letter was drafted,

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further revised and to be sent incorporating an internet link to the questionnaire in order to ensure greater response rate.

Monetary Incentives

Often monetary incentives will motivate respondents to partake in the research thus ensuring more responses. Zickmund (2003) notes that numerous types of incentives have been used in research such as pens, lottery tickets and a variety of premiums. However monetary incentives are useful to all respondent types and appear to be the most effective and least biasing incentive. For this study a monetary incentive was used in the form of 250 euro worth of Brown Thomas gift vouchers. The target respondents are brand / marketing managers and it was felt that this incentive was in accordance with the target respondent's profile. Furthermore, the research is nationwide and the voucher can be used in Brown Thomas stores covering most of the main cities in Ireland; Dublin, Galway, Limerick and Cork.

Follow – Ups

Response rates for surveys generally taper off after two weeks and this is typical of most mail surveys (Zickmund, 2003). A 'follow up' or reminder notice is a second request for the survey to be completed as 100 percent response rate is unlikely. In addition, respondents may not be available or may be on holiday the day that the questionnaire was initially distributed. Research by Jobber and O'Reilly (1996) shows that follow ups can increase response rates by up to 12 percent. Therefore a follow up reminds respondents of the research and offers a second chance to complete the questionnaire. The more attempts made to reach people the greater the chances of their responding (Dillman, 2000).

For this study, a follow up email will be sent to people who had not responded to the initial distribution of the questionnaire. The follow up will highlight the importance of the research for Irish owned consumer brands and that respondents will be

provided with exclusive access to the findings plus a chance to win the 250 euro vouchers as an incentive.

4.11.8 The Business Survey

As mentioned previously, surveys of businesses are among the most difficult type for any researcher. Some of the specific problems that are associated with business surveys are outlined by Dillman (2000);

- What is an organisation entity? The researcher may view each branch of an organisation as a separate entity whereas the organisation could also be viewed as a single entity with several locations (i.e O'Briens, Glanbia)
- Where is the business unit of interest located? Is it at the place of business or at corporate headquarters?
- What is the name of the business; are there sub brands? Are the public and trading names the same?
- Who should be the target respondent; can more than one respondent in the company answer the survey? (for example the marketing assistant rather than the brand manager?)
- Is it necessary to go through a gatekeeper? For example secretaries or P.As? Can respondents be contacted directly?

Indeed, a number of considerations arise for the researcher when surveying businesses. Of particular concern is data protection, which is highlighted by Synodinos (2003) who notes that confidentiality of sensitive company information can hinder response rates.

4.12 Populations, Census and Sampling

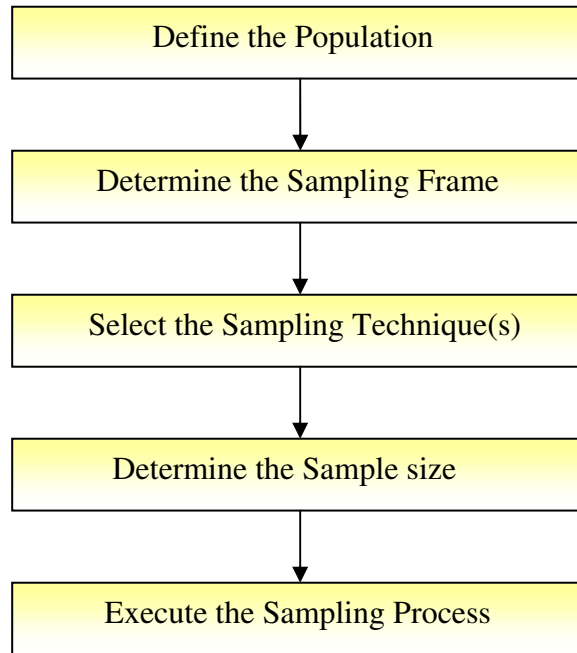
Sampling refers to the study of a small group in detail in order to represent a larger population of people. Researchers attempt to gain information about characteristics

or parameters of population. A census is the complete enumeration of the elements of a population (Malhotra and Birks, 2005). A sample is a subgroup of the elements of the population selected for research. A sample is therefore selected when it is not possible to survey all elements of the population. The sample therefore must be representative of the population in order to be able to infer the results to the population as whole (Hague, 2002; Zickmund, 2003).

According to Malhotra and Birks (2005) a sample is defined as ‘a subgroup of the elements of the population selected for participation in the study’ (p: 357). Ideally, researching the total population would be preferred, thereby using a census rather than a sample. However, this is not always possible for researchers due to various constraints placed on projects such as time, resources and accessibility. In addition Saunders et al (2003) warn not to assume that a census will provide more insightful results than a well planned sample survey, rather, in certain contexts a sample will provide a wholly valid alternative. This point is supported by Henry (1990) who argues that using samples actually provides higher overall accuracy than a census. Being smaller in nature, more time can be spent designing and piloting the means of collecting the data. More detailed information can be gathered by collecting data from fewer cases. Furthermore, proportionally more time can be devoted to checking and testing the data for accuracy prior to analysis.

Malhotra (1999) outlines a sampling design process; shown next, which will be followed to determine the sample relevant to this study.

Figure 4.5: The Sampling Process



Source: Malhotra, N (1999, pp.329) *Marketing research: An Applied Orientation*

4.12.1 Define the Population

For the purposes of clarity, Malhotra and Birks (2005) define a population as; ‘the aggregate of all the elements, sharing some common set of characteristics, that comprise the universe for the purpose of the marketing research problem’ (p:357). Domegan and Fleming (2003) assert that a population refers to ‘the total and entire group of persons, items/objects that the researcher wants to know, study and describe.’

From these definitions it can be stated therefore that a population, in a research context, is a collection of elements or objects that possess the information sought by the researcher and about which inferences are to be made. Field (2000) notes that a population can be very general (all human beings) or very narrow, ‘all male ginger

cats called Bob' (p3). In either case scientists rarely have to access every member of the population, the population can differ in size but nevertheless needs to be precise (Saunders et al, 2003). The population profile should be extrapolated from the research objectives. It is necessary to be clear about from whom the data is to be collected. That is, the objects about which or from which, information is desired (Malhotra and Birks, 2005)

The primary research objective for this study is worded accordingly

- *To conduct a study of Irish brand practice with the aim of exploring the elements which drive international competitiveness of indigenous Irish owned consumer brands.*

From this, the target population for this research can be defined precisely. The target population for this study will therefore be Irish owned companies who operate in consumer markets. In order to explore the full gamut of branding practice, companies to be included in the population can range from SMEs to large corporations. As stated previously in the introduction to the research, this study is focused on consumer brands and therefore rules out business to business brands. In addition, there is no restriction with regards to the bricks and mortar element of the company, that is, web based brands will be included in the population. As this is an exploratory study, there is no reference from prior academic research in order to support the aforementioned criteria; rather, the justification can be found in Irish economic profile reports such as the recent Enterprise Strategy Group report (2004) which focused on the continued development of Irish businesses which is crucial to economic competitiveness.

Furthermore, as noted by many authors (Burns and Bush, 2000; Malhotra and Birks, 2005; Saunders et al, 2003) targeting the source of the information is critical to the validity of the data. It is important therefore that the study targets those who are responsible for the brand, i.e. in both a strategic sense and also with regard to the day to day branding activities. In depth knowledge of the brand is vital. Therefore

gaining access to the target respondents will be a critical issue to deal with in order to ensure a justified methodology. This will be discussed in greater length later in the chapter.

4.12.2 Determine the Sampling Frame

Selecting or constructing a relevant sample frame is a very important part of any sampling process. The sampling frame can be defined as a ‘representation of the elements of the target population. It consists of a list or a set of directions for identifying the target population.’ (Malhotra, 1999; pp330). Some sample frames are easily accessible and contain a complete list of all the cases in the population from which the sample is to be drawn.

In this particular case there is no one complete list or panel which represents the particular population that the author wishes to sample, that of brand managers of Irish owned consumer brands. Therefore, a sample frame will be drawn from a selection of relevant databases and sources which contain contact and access details to the relevant population.

Several databases were used to compile the relevant sample frame from which to draw the sample. Details of these are given below;

‘Businessworld Top 5000 Irish Companies’

This database is provided by the businessworld.ie website which is a major source of all business related information for and relating to Irish companies. They provide several databases which are particularly useful for research purposes. The most relevant for use in this study was the top 5000 Irish companies database. This does include foreign firms who have Irish operations aswell as Irish owned companies of all sizes from SMEs to conglomerates.

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Company details provided include company addresses, type of business activity, total number of employees and turnover (larger firms only). In addition, contact details are provided on senior executives and key staff for each of a series of precise functions, including:

- MD/CEO
- Manager responsible for finance
- Manager responsible for IT
- Manager responsible for Sales/Marketing
- Manager responsible for Personnel
- Manager responsible for Operations/Purchasing
- Manager responsible for Quality Control
- PA to CEO

IPA Database

The IPA database was another key source for gathering the relevant sample. The IPA stands for the Institute of Public Administration. It is the Irish national centre for development of best practice in public administration and public management.

The Database is divided into the sections which contain company information and contact details from a wide range of sectors, these are outlined below;

- Legislative, Executive and Judiciary
- Diplomatic Representation
- Civil Service
- North/South Institutions
- Defence Forces
- Garda Síochána
- Local Government and Administration
- Health Services
- State-Sponsored Bodies

- Financial Institutions
- Higher Education
- Major Companies and Co-operatives
- Conference Venues
- Management Consultants
- Recruitment Consultants
- Communications
- Media
- Religious Denominations
- Trade and Professional Organisations
- Social, cultural and Political Organisations
- Northern Ireland
- European Union
- International Organisations

4.12.3 Selecting a Sampling Technique

Two types of sampling procedure are distinct in marketing research, probability (random) and non-probability sample. Probability sampling is a technique that ensures each respondent, has an equal chance of being selected. By contrast, non probability sampling is inherently subjective and the chances of respondent selection are not random, but determined by the researcher. Although probability sampling is claimed to yield more accurate data through eliminating selection bias and determination of sampling error, non probability sampling will be used in this study as it is more widely used in Ireland, and cheaper to conduct in terms of time and cost. In addition non probability sampling allows for greater accuracy to be obtained in selecting the respondents most suited for the research.

Domegan and Fleming (2003) observe three main types of non-probability sampling method;

- Convenience sampling
- ‘Snowball’ sampling
- Quota sampling

4.12.4 Quota Sampling

Quota sampling will not be used for this research as the research looks to gather data on the branding practice of the population as a whole rather than focusing on specified sub strata.

4.12.5 Snowball Sampling

This method is not suited to the research at hand as it is too time consuming and referrals made by respondents would not be any more beneficial to the researcher than those already available from the sample frame

4.12.6 Convenience Sampling

This method involves the researcher selecting the elements that he/she believes are most representative of the population. Malhotra and Birks (2005) highlight the benefits of this approach as being the least time consuming, the least expensive and allowing for expert selection of respondents. However, this introduces bias into the research as respondents are selected at the researcher’s discretion.

Even so, this method was deemed the most appropriate to satisfy the research objectives of this study. Given that the sample frame used also contains companies which would *not* be suitable for the study, convenience sampling therefore provides the most appropriate method for selection of suitable elements from the sample frame which fit the criteria for the study. For example, the sample frame contains

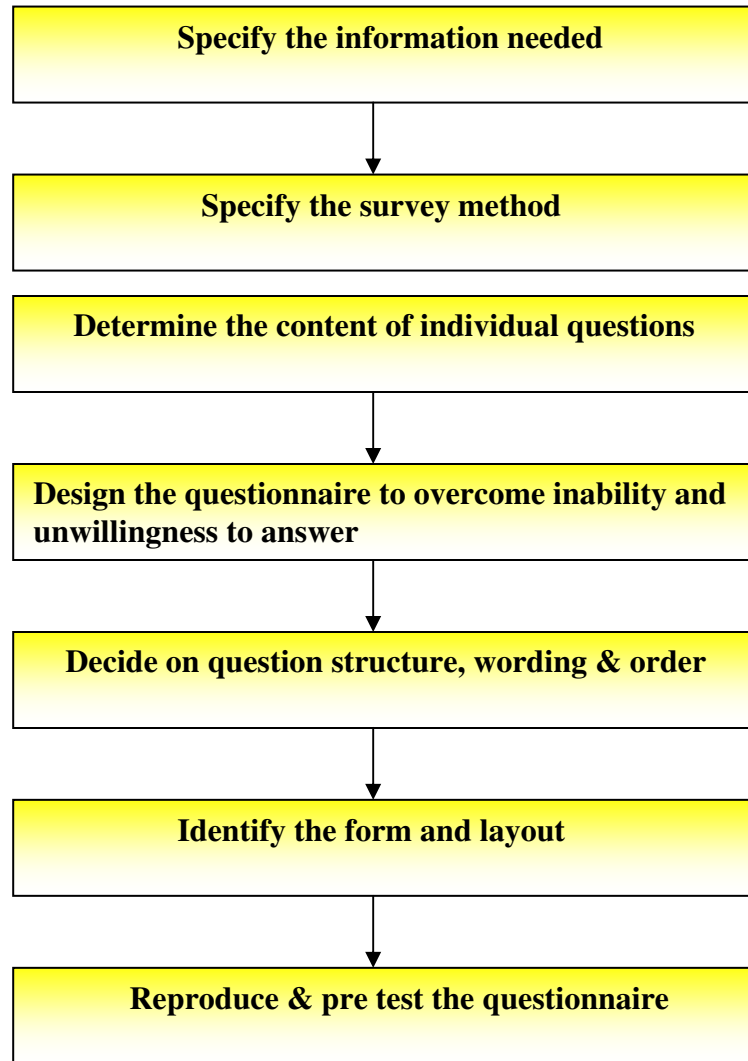
information on B to C companies and also B to B companies. A probability sampling method could not be used on the sample frame as it may introduce error by randomly selecting a b to b company for the sample. This would be incorrect for the research. Therefore, a non probability method must be used and the most appropriate of these was convenience sampling where the population could be selected, by the researcher, according to the requirements for the study.

By ruling out a probability method of sampling, the sample for the study need not be statistically significant for inference to the population as a whole. Rather, the non probability method employed means that the sample characteristics are *representative* of those of the population, and findings generalised to the population, but as probability sampling was not used, this is without a certain level of confidence for example at the 95 per level. It must be noted that this however, is a two phase exploratory study and the goals of the survey are to gain insight into brand managers attitudes and opinions for further exploration at the interview stage.

4.13 Questionnaire Design

In view of the varying amount of literature on research methods and data collection, Malhotra's (2004) 'Questionnaire design process' was deemed the most appropriate blueprint for assistance in construction of the survey instrument. The model is presented in Figure 4.6.

Figure 4.6: Questionnaire Design Process



(Source: adapted from Malhotra; 2004:282)

4.13.1 Specify the Information Needed

The importance of correctly identifying the type of information needed for the research cannot be overemphasised. Maltora and Birks (2005) and Saunders et al (2003) both highlight the importance of using ‘dummy’ or ‘data requirement tables’

in order to ensure that all required data is listed and that nothing has been omitted. For this study the information needed has been clearly outlined throughout this chapter.

4.13.2 Specify the Type of Survey Method

This area has been discussed at length previously in this chapter and full consideration has been given to a decision regarding the most appropriate survey method has been given.

4.13.3 Determine the Content of Individual Questions

If a question does not contribute to the information needed for the research it should be eliminated (Malhotra, 2004).

Bourque and Fielder (1995) outline three distinct sources of question design;

- Questions can be adopted from other questionnaires
- Questions can be adapted from other questionnaires
- Questions can be designed by the researcher

Questions must be scrutinised to ensure their suitability for the research at hand (Dillman, 2000) and moreover, to ensure that they can be understood and answered by respondents.

4.13.4 Design the Questions to Overcome Inability and Unwillingness to Answer

Malhotra and Birks (2005) maintain that questions should ask for only 1 piece of information. In addition Saunders proposes some checks in order to overcome inability and unwillingness to answer, for example inability checks include determining if the respondent is informed on the subject? Can the respondent remember if asking about historical issues and is the respondent able to articulate a

response? Furthermore, some checks to overcome unwillingness by respondents can be made by asking in a rhetorical fashion; is too much effort required of the respondent? Does the respondent feel the context is inappropriate? Does the respondent feel the questions are not legitimate? Does respondent feel the topic is too sensitive? All these areas need prior consideration before designing questions for the survey (Malhotra, 2004). In sum, researchers should limit their questions to those that respondents are able and willing to answer (Synodinos, 2003).

4.13.5 Decide on the Question Structure

Malhotra and Birks (2005) point out that structured questions can be generally described as open ended and closed ended. Open ended questions allow respondents to freely respond, and are often useful in aiding researchers to interpret their responses to closed ended questions. Closed ended questions are those that have pre-specified responses, and include, multiple choice, multiple response, dichotomous ranking and scale responses. Four types of questions will be used in this study; open ended, dichotomous, multiple choice, and rating scale.

4.13.6 Open-ended Questions

These are questions allowing respondents to freely express their opinions and attitudes to a particular topic specified in the question. There is no structured response for the respondent to select. These questions allow the respondent greater freedom to answer and can offer greater insight and depth of response. However with regard to analysis they can prove difficult for researcher to code and therefore to analyse (Malhotra, 2004).

4.13.7 Dichotomous Questions

In this type of question, respondents are given only two responses from which to choose from, 'yes' or 'no', or 'agree' or 'disagree'. These questions facilitate ease of

analysis as the responses are coded as dichotomies, that is, responses coded as either 1 or 2 in the analysis package SPSS.

4.13.8 Multiple choice Questions

These are questions which provide a list of pre determined multiple responses from which the respondents must choose. Also included are neutral alternatives such as 'no opinion' or 'don't know' to ensure all possible responses are catered for. Question 12 in the survey is an example of a multiple choice question.

4.13.9 Rating Scale Questions

Typically rating scales can be categorised as either continuous rating scales, or itemized rating scales, which include Likert scales, semantic differential and staple scales. Rating scales, as Malhotra (1999) explains, 'have the respondent rate the objects by placing a mark at the appropriate position on a line that runs from one extreme of the criterion variable to the other'. These are commonly bi-polar opposites, in the form of adjectives, statements or phrases in semantic differential questions, usually on a seven point scale. Analysis of these questions is often conducted by summing each respondent's scores allowing the researcher to evaluate the intensity and direction of the respondents' attitude to a particular topic in the form of a numerical score.

Dichotomous, open ended and multiple choice questions will be used in the survey. However the majority of questions will be the five point Likert scale type question. The main reasons for this choice are for the purposes of consistency, facilitation of analysis and as this type of question allows for data to be gathered on respondents general attitudes to particular issues (Saunders et al, 2003).

4.13.10 Determine the Question Wording

Some issues in terms of question wording have hitherto been discussed in step four of the ‘Questionnaire design process’ outlined by Malhotra (2004). In addition, some further considerations can be given to the wording and structure of questions. Dillman (2000) outlines nineteen different considerations for wording of questions. Some key considerations are;

- Use simple, ordinary words suitable to the target population and choose as few words as possible, where possible without being vague.
- Avoid leading questions or wording, as well as unequal or overlapping response categories.
- Avoid asking respondents to make unnecessary calculations.

4.13.11 Arrange Questions in Proper Order

It is important that questions maintain a logical flow and order so as to limit the possibility for potential response error. Saunders et al (2003) advise that much time be spent considering the order and flow of questions when constructing a questionnaire. Malhotra (2004) advises to group questions into categories and ask all questions on a particular topic before moving onto a new topic. This is the method that will be used for this study. Questions will be grouped according to different aspects of branding and respondents will be asked to complete the full section of questions before moving on to a new category.

4.13.12 Identify the Form and Layout of the Questionnaire

The form and layout of the questionnaire is a key area to consider in terms of presentation, aiding response rates and minimising respondent error. Dillman (2000) argues that booklet formats are the easiest format for respondents to handle, Malhotra (2004) and Synodinos (2003) also support their professional appearance.

However, having decided that an email format will be used for the survey, the issue of layout and structure is taken care of due to the capabilities of the software package utilised. The package that will be used for this survey is ‘SurveyMonkey’ a professional web based service for compiling any type of survey or questionnaire (www.surveymonkey.com). The package will present the survey in a logical, well presented and understandable manner therefore maximising the possibility for increased response rates and minimising the potential for respondent error.

4.13.13 Reproduction and Pre-Testing

It is generally accepted that pre testing is a logical and important step in the questionnaire design process. Pre testing allows for necessary changes to be made to improve the questionnaire in any way before administration to the desired sample or population. Malhotra (2004) holds that a pre test is conducted on a small sample of respondents in order to highlight and subsequently eliminate potential problems. Dillman (2000) supports this further by advising the use of cognitive interviews in tandem with the pre test for additional insight and opinion on the quality of the questionnaire.

4.13.14 Data Quality Issues

Validity and reliability are central points for consideration in any research design. These two measures are the hinge upon which the quality of a research design is often assessed. These measures are relevant when considering quantitative or qualitative research designs. With regards to a survey, validity is the ability of a survey (the research instrument) to measure what it is supposed to measure (Zickmund, 2003).

Several aspects must be addressed when discussing the measure of validity. A level of *content validity* is achieved by testing the questionnaire amongst a group of experts in the given subject area (Saunders et al, 2003). Similarly, a degree of *face*

validity is achieved by running a pre test of the questionnaire amongst a sample of respondents therefore increasing the level of confidence in the findings yielded (Saunders et al, 2003).

Reliability is slightly different in that it centres around consistency of respondents' answers. Several test of reliability are noted by Burton (2000) and Saunders et al (2003)

- Test – retest
- Internal Consistency
- And/ Or Alternative form

The first of these 'test-re test' involves administration of two of the same surveys at different time periods to measure stability of responses. An alternative form involves subtle changes to scale type questions and response categories to ensure that respondents are not answering automatically or blindly. Finally, internal consistency relates to the *generalisation* of findings (Saunders et al, 2003). This is a fundamental issue with regards to any research design and the role of the sample design plays a huge part in determining the ability to generalise findings to a greater population (Hakim, 2000). It is one of the main goals of quantitative research (Bryman, 2001) as it allows researchers to make 'law like' findings. Generalisation with regards to the population for this study was discussed in the section under sample design. As mentioned before this study is exploratory in nature and it was felt that the ability to generalise findings to the population was enhanced by factors such as the criteria respondents had to meet to be suitable for the research, for example, be a B to C company and be Irish owned. In addition, the sampling method selected of convenience sampling was chosen in order to add precision thus ensuring that only companies that met the criteria of the sample profile were selected for the research. Therefore, the more representative the sample is of the population in terms of characteristics, the greater the ability to generalise findings (Malhotra and Birks, 2005).

4.14 Qualitative Data Collection Methods

In order to select the most appropriate research method which will satisfy the research objectives, the relative qualitative methods which could be used, will be briefly reviewed.

4.14.1 Qualitative Methods Available to the Researcher

An important point is made by Hague (2000) when discussing the methods of qualitative research. He states that generally, qualitative researchers will use any means possible of obtaining information themselves, which allows them to link the data collection and interpretation stages closely. This provides for greater insight into the phenomenon as the researcher gathers the information firsthand. With this in mind, there are many methods available to the researcher; those most often used being observational study, focus groups, depth interview and the case study method. The selection criteria will depend on the context of the study, the phenomenon at hand and the factors which will ensure the gathering of unbiased data.

The author will now briefly discuss the methods available.

4.14.2 Observation methods

Observation is used wherever watching is thought preferable to speaking to people. It plays an important role in researching children, whose powers of expression may not allow them to articulate exactly what they think. Observation is used in shopping surveys, especially in-store, when the customer is looking at the shelves and deciding what to buy. It is used to answer how things are done in practice (Hague, 2002).

With regard to the study at hand, the phenomenon under investigation is strategic brand decision making within domestically successful Irish companies. Using

observational methods as the data collection method would not provide for useful and insightful results.

4.14.3 Focus groups

With regard to the study at hand however, the practicality of recruiting a group of top management from different types of industry and background for a series of focus groups would prove a very difficult task. Given the time pressure that top line managers are under, a focus group discussion for up to twelve people would be problematical to arrange. Furthermore, the study centres upon management decision making and consequently, participants would not be likely to divulge their specific information to a larger group. For these reasons, the author thereby rules out this particular method.

4.14.4 Depth Interviews

In contrast to the group interview method, or focus groups, the depth interview is conducted on a one to one basis; it is normally longer, face to face rather than over the telephone and tape recorded. Depth interviews are used when it is important that there is no 'contamination' of respondents' views, as can happen in a focus group scenario (Lehmann et al, 1998). The depth interview is also unstructured; there is a guide or 'theme sheet' but no structured questions as in a questionnaire. Unlike a focus group there is also enough freedom for the respondent to steer the conversation. Often, the interview is extended into repeat interviews at later dates in order to discover more on a particular issue, or to find out if an individual's or company's perspective has changed because of a certain event or over the course of time (Hakim, 2000). According to Hague (2002), the most important element for the researcher in a depth interview is listening, 'to listen carefully to a respondent is to show interest and this is encouragement to say more. Furthermore, only through listening will an understanding be built up from which there could be a deeper line of questioning – the very substance of depth interviewing'.

Amaratunga et al (2002) state that without doubt, the most widely used qualitative method of data collection is the interview. It is a highly flexible method, can be used anywhere and is capable of producing data of great depth (King, 1994). The guidelines below adapted from King et al (1994) suggest the instances in which a research interview is best suited, where;

- a study focuses on the meaning of particular phenomena to the participants;
- individual perceptions of processes within a social unit are to be studied prospectively, using a series of interviews;
- individual historical accounts are required of how a particular phenomenon developed;
- exploratory work is required before a quantitative study can be carried out; and
- a quantitative study has been carried out and qualitative data are required to validate particular measures or to clarify and illustrate the meaning of the findings.

4.14.5 Justification for Depth Interview Method for use in this Study

The author has considered other methods of qualitative data collection, yet these do not suit the research at hand and therefore would not be the best way in which to satisfy the research objectives. For the current study, depth interviewing is deemed the most appropriate method of data collection. This is because the study focuses on a select group of Irish companies, that is those that have enjoyed brand success in domestic markets and internationally and who compete in consumer markets. To explore the strategic management, methods and processes behind the brand success, the research must probe for information and insight from the key decision makers or representatives. Therefore, accessing these individuals and conducting in depth interviews will provide for gathering of quality primary data from which it is hoped valuable findings and conclusions about strategic brand decision making and best practice may be drawn.

4.14.6 Planning for, Preparing and Conducting the Research Interview

The successful completion interviews depends on three conditions according to May (2001), accessibility, cognition and motivation. The key issues within these conditions will now be examined individually with reference to this study;

4.14.7 Accessibility

Imperative to the success of the interview is that the information received is both relevant and was that sought by the interviewer. Dillman (2000) noted that access to the correct individual in a business could be difficult and this may have to be negotiated with a 'gatekeeper' i.e. a personal assistant or secretary first.

Researchers must request participation from respondents once identified. This request should cover some key areas which will improve the chances of gaining access to interview the respondent. Saunders et al (2003) posit that the request should clearly outline the type of access required, should attempt to overcome any company concerns over time and resource requirements, sensitivity, confidentiality, anonymity and should include the possible benefits to the company of granting access.

4.14.8 Cognition

This refers to the interviewee's understanding of what is required of them in their role of interviewee (May, 2001). This should be aided by a well drafted request for access as noted by Saunders et al (2003) above, including an understanding of the time and effort required.

On the researcher's behalf, preparation is essential too. The interviewer must be 'knowledgeable' about the subjects to be covered and the organisational or situational context in which the interview takes place. A theme sheet should be

drafted to include questions and topics that will be covered in the interview (Saunders et al, 2003).

Such theme sheets are a key element of the interview process and are referred to differently in literature as interview themes (Saunders et al, 2003), interview schedules (Burton, 2000) or interview guides (Darlington and Scott, 2002; Bryman, 2001). In the main however, most authors concur that a document containing the areas to be discussed is very important preparation for any interview. Importantly, Malhotra and Birks (2005) note that the researcher should not adhere to the theme sheet religiously as in certain instances this could be to the detriment of the flow of the interview.

4.14.9 Motivation

Motivation of the interviewee is important and the interviewer can do this by making sure that respondents feel their participation and answers are valued (May, 2001). In terms of analysis, recording of the interview allows for the interviewer not to worry about noting key responses as the interview transcript can be fully analysed qualitatively after the interview (Hakim, 2000; Bryman, 2000: Burton, 2001: Darlington and Scott, 2002: Saunders et al, 2003). Saunders et al (2003) also add that the appearance of the interviewer, the nature of the opening comments, the approach to asking questions and probing responses all have an affect on the interview situation which in turn can affect the relationship between the interviewer and respondent and thus mediate the quality of the interview data gathered.

4.14.10 Advantages and Disadvantages of the Research Interview

Figure 4.7: Advantages and Disadvantages of the Research Interview

<i>Advantages</i>	<i>Disadvantages</i>
Offers rich and detailed data questioned	Validity and reliability of data
Can help in the formulation of research when objectives / questions	High potential for interviewer bias seeking or interpreting response
Flexible and reactive to responses	Time consuming and expensive to conduct
Allows for probing, explanation, or building upon resources	More time consuming & unstructured analysis of data yielded
May offer higher response rates amongst managers	Small sample sizes in general
Often allows for follow up interviews for clarification of findings	Can result in copious amounts of data which must be analysed

Source; Saunders et al (2003)

4.14.11 Data Quality Issues

Saunders et al (2003) note the main data quality issues relating to qualitative research interviews as; reliability, bias, validity and generalisability. These will now be discussed in more detail.

4.14.12 Reliability

Reliability relates to the degree to which a given study, using the same procedures, will result in the same findings over time, if repeated exactly (Saunders et al, 2003). This differs slightly from validity as mentioned afore in the section discussing quantitative data issues, when referencing Zickmund (2003). Tashakorrie and

Teddlie (1998:80) highlight a particular aspect of reliability, namely ‘measurement reliability’. Rhetorically they stress the questions that a researcher should be posing, ‘assuming I am measuring/recording what is intended, is my measurement/recording without error? This aspect they refer to as ‘measurement reliability’, but in fact there are describing what Zickmund (2003) notes as ‘validity’. Nevertheless, the ability for the research to measure constructs that it is supposed to measure with minimal error, and for the results to be consistent over time given that there are no changes to the measurement processes, is a fundamental issue concerning the quality of the research data.

When these issues are put in the context of the research interview method, it is very difficult to standardise the research interview, as research interviews are capricious by their very nature. Efforts to overcome this are suggested by Yin (1994). Yin posits that researchers can maintain a clear ‘chain of evidence’, for interviews, this could be in the form of a series of notes relating to data collected, thus allowing external examiners to observe logical processes and resulting findings.

4.14.13 Bias

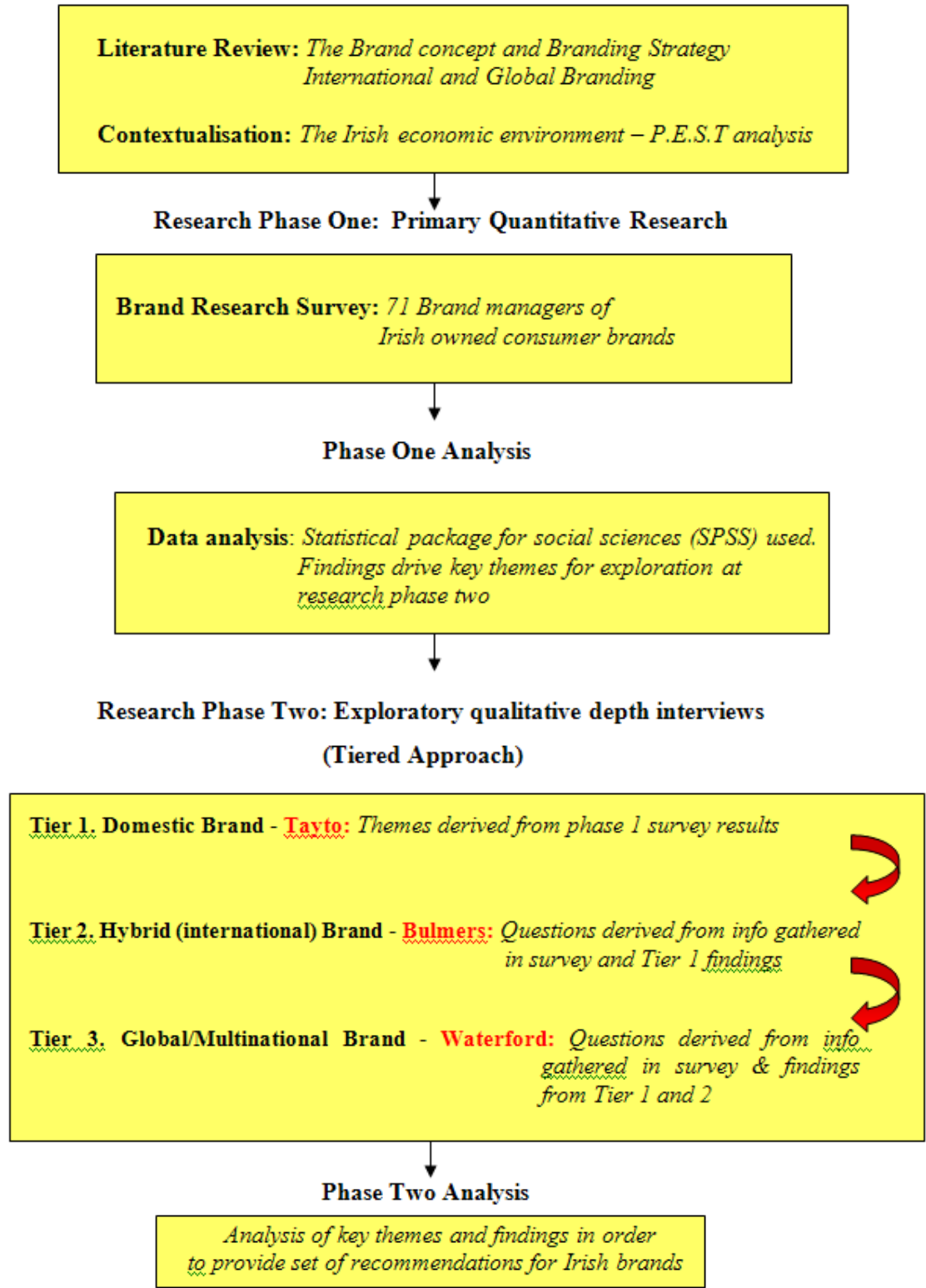
Bias introduces error into the research thus reducing the reliability, validity and generalisability of the findings. In fact, Amaratunga et al (2002) consider the goal of reliability to reduce bias, therefore these concepts are inherently linked. With regards to interviews, bias comes mainly in the form of interviewer bias, which as Zickmund (2003:738) states is, ‘the responses of subjects due to the influence of the interviewer’. Interviewer bias can occur at several stages of the data collection process. Firstly, bias can be introduced when the interviewer questions the respondent (Malhotra and Birks, 2005). Secondly, bias can be introduced in the interpretation of findings by the researcher or by the interviewee themselves. The latter is therefore known as interviewee or response bias

It is the demonstration of good interviewer skills (Yin, 2003) coupled with efficient interview preparation (Saunders et al, 2003), that help reduce the effect of bias in qualitative data collection.

4.15 Methodology Employed

Figure 4.8 displays the steps involved in the research methodology that was undertaken for this study.

Figure 4.8 Research Structure



4.15.1 Specification of the Information Needed

As the research into developing indigenous Irish brands is very limited, this survey attempted to gather data with regards to general branding practice and activity amongst indigenous firms. The key themes that the survey focused on are outlined below;

- Market / Brand positioning
- Brand strategy, tactics and implementation
- Financial investment afforded for brand building activity
- Attitudes towards International brand development

Data was gathered from respondents which related to the above themes. In addition, it must be noted that the information needed for the study was to be on two levels. Information from a corporate perspective was sought, that is, company practices, processes and brand activity. Secondly, information from the perspective of the individual were sought, such as the brand manager's own opinions on various brand related issues.

4.15.2 Target Population

As the study is focused on Irish brands and the development of indigenous Irish companies, the target population had to be Irish owned. This meant that the study does not include Irish subsidiaries or franchises operating in Ireland. Furthermore, the study focuses on business to consumer brands, therefore ruling out any business to business companies.

As many companies do not have a role entitled 'brand manager' the target population includes marketing managers, CEOs and MDs for example, essentially those who are primarily responsible for the brand are included, regardless of their title. Thus, the study targets those who 'manage the brand' rather than solely looking

for individuals with the title ‘brand manager’. The target population can therefore be defined as;

‘Brand managers of Irish owned b to c companies’.

An amalgamation of the IPA database (www.ipa.ie) and the ‘business world top 5000 Irish companies’ database (www.businessworld.ie) was used as the main sample frame from which the population could be identified. The companies were filtered and companies that did not meet the requirements for the research, that is, be Irish owned or operate in b to c markets, were not eligible for inclusion in the study. When both databases were exhausted, a final population of 243 companies were identified that fitted the criteria identified for the research. The decision was made that the population could be surveyed in its entirety, thus a sample was not needed and the survey was a census of the entire population of elements identified from the sample frame.

The contact details of the companies that were eligible for the study were collated and each company contacted individually by telephone. The majority of contact numbers were for customer services or receptionists, referred to by Dillman (2000) as ‘gatekeepers’ to be negotiated in order to gain access the desired individuals within the company. Many of the access issues outlined by Dillman (2000) and previously mentioned in this chapter had to be negotiated at this stage of the research. The email addresses of ‘the brand manager or those responsible for brand management’ were sought.

4.15.3 The Survey Instrument

When access to the target population was granted, a cover email letter containing the goals of the research and a link to the survey was sent. The survey was drafted using the web based tool ‘SurveyMonkey’ (www.surveymonkey.com). This is a professional program for creating, administering and managing email surveys. Using

a web based program provided a quick and easy way to respond to the survey for the target population. The target population are time restricted and an email based survey allows them to respond quickly and efficiently.

In order to increase response rates, the research was incentivised. The incentive was included to entice as many responses as possible for the survey. Respondents who completed the survey were included into a random draw for 250 euro worth of Brown Thomas vouchers. This incentive was chosen as it is deemed to be an incentive in line with the profile of the target population.

With regard to question wording, the survey mostly contained structured Likert scale questions 3, 4, 6, 7, 9, 10, 17, 18 and 19. There were some multiple choice questions 2, 12 and 20. There were only two dichotomous questions, 13 and 15 and several unstructured questions 1, 5, 8, 11, 14, 16, 21 - 24. Each question relates to a specific objective and these are outlined below:

4.15.4 Form and Layout

As described above, the survey took the form of a web interface survey where respondents 'check' their answer by clicking in relevant boxes. The questions were in logical order and acknowledgement was given to the questionnaire design guidelines given by authors such as Dilmann (2000), Malhotra and Birks (2005) and Saunders et al (2003).

4.15.5 Pre Testing

A pre test was carried out in order to gauge reaction to the order of the questions, question wording, ease of use and overall coherence of the survey. This involved distributing the survey by email and manually to a selection of respondents, twenty in total in order for them to provide feedback.

Several individuals from the target population were sent a pre test of the survey and the remainder of the pre test sample were a number of DIT colleagues from the School of Business, who were able to comment on and provide recommendations for improvement of the survey design where necessary. Some of these recommendations were taken on board which lead to changes in the wording, structure and layout of the survey.

The pre test adhering to Malhotra's (2004) guidelines and this exercise proved very beneficial for the survey, as a number of minor glitches were eliminated and the overall coherence of the survey improved.

4.15.6 Administration

The survey was distributed initially as a link in a cover letter by email which contained information on the research and the incentives previously mentioned in order to entice participation. Two weeks after the initial distribution a follow up email was sent for those who had still not returned the survey. This follow up did encourage additional responses and resulted in a total response rate of 28 per cent. This is an impressive response rate given that Dillman (2000) notes the average response rate for business surveys is only 21 per cent.

The data was exported directly from SurveyMonkey into Excel, formatted accordingly and then exported directly into SPSS for analysis.

4.15.7 Phase One Analysis

Analysis of the statistical data was done using the SPSS package for Windows and the basic analysis features included in the SurveyMonkey software. These two packages enabled statistical analysis and graphical presentation of the data. The findings are presented in full in chapter five.

Data was analysed according to the research objectives of the study. Analysis of the data from the survey resulted in some key findings which were used to underpin the theme sheets for interviews with brand managers in phase two of the research.

4.15.8 Research Phase Two: Exploratory Qualitative Depth Interviews (Tiered Approach)

Once the data had been collated and the key findings analysed, respondents that fit the criteria for the second phase of research were identified. These criteria are based on the tiered interview approach outlined earlier as a novel framework and strategy for the second phase of this study. The tiered interview framework requires that interviews be conducted with brand managers of Irish owned consumer brands at different stages, non sector specific. Respondents who had already completed the survey were targeted specifically due to their prior knowledge of the research and ability therefore to discuss the findings without needing introduction to the study. Respondents were contacted by email and invited to participate in the second phase of research.

Three stages of brand development are identified in the tiered case approach and therefore brand managers had to be drawn from companies which were also from these three stages. Due to the time constraints and given that a complete phase of quantitative research had already been completed, it was decided that one interview per tier would be conducted. Thus, three interviews were conducted in total.

As per the model presented in Figure 4.8, Tier one relates to the national Irish brands. Tier two relates to international Irish brands, and tier three relates to the largest Irish brands which can be deemed multinational. All interviews were conducted on company premises and were recorded and transcribed with the agreement of the interviewee.

Research Methodology

The interviews were conducted in sequential format ascending from tier one companies to tier three companies on purpose. This is to provide for a dynamic 'cascade' effect of information where the interview findings from tier one influence the themes for discussion with the tier two company and so on up to the tier three company. This feature of the tiered interview framework directly relates to the original objectives of the study in that the focus of the research is international Irish brand development. Discussing the key areas for smaller brands in an ascending sequential manner with larger brands allows for a theory of 'branding best practice' to develop for brands looking to grow in an indigenous manner and then looking to enter international markets.

The first interview was conducted with the brand manager of nationally successful brand Tayto (at the time of research owned by C&C, but now owned by Largo Foods). Irish owned Tayto do not operate in any other markets outside of Ireland and therefore fit the criteria for tier one. At this stage the findings from the phase one study were discussed. This allowed for triangulation of the data to take place (Tashakorrie and Tedlie, 1998). The data from this interview was transcribed and key finding translated into themes for discussion and the next stage of interview.

The second interview was conducted with the brand manager of Bulmers, a brand owned by C&C which operate in several international markets under the brand name Magners. Bulmers have enjoyed recent success with the rollout of their brand under the name Magners in the UK in 2005 and 2006. The findings from the tier one interview were discussed at this interview stage and so too were the survey findings. Again the interview was transcribed, analysed and the findings brought forward for discussion with the final tier three company Waterford.

The third and final interview was conducted with the former CEO of Waterford Crystal, recently retired but consultant to the company on a part time basis. Waterford Wedgwood is a large multinational company which operates in many

markets worldwide and is considered one of Ireland's extremely successful companies.

4.15.9 Phase Two Analysis

Each interview was analysed individually according to the research objectives and key themes that arose from the brand survey in phase one. The data from the first interview was examined in detail for themes that arose and these themes were then discussed at subsequent interviews.

The method used for interview data analysis was a broad form of discourse analysis which focused on the themes of interview text rather than the detailed semantics of the respondent's words and phrases used. Interview chunks of text were coded and labelled based on themes. The semi structured nature of the interviews allowed for this coding to take place as the interviews were driven by themes for discussion from the outset.

The subsequent interviews followed the same pattern of analysis throughout and the interviews were analysed in an inductive manner in order to allow the findings to emerge rather than dogmatically focus the analysis on the research objectives. Moreover, the research objectives were used more specifically for conclusions and recommendations to be drawn in the final chapter. Triangulation of the data occurred by conducting both quantitative and qualitative research based on the original research objectives and furthermore, on the data from the phase one survey. More detail is provided on this in the following chapter.

4.16 Conclusion

This chapter began with a review of the most appropriate philosophical paradigms to undergo this research, and subsequently continued by detailing the chosen

Research Methodology

methodology; Pragmatism. The following penultimate chapter will present the main analysis and findings of the two-phase primary research.

Chapter Five

Analysis and Findings

‘Data analysis is not an end in itself...its purpose is to produce information that will help address the problem at hand’.

- Malhotra 1999, p.434

5.1 Introduction

This chapter will be structured according to the order of the research methodology. That is, the research phase one survey data will be analysed prior to conducting the research phase two interviews. The results of these interviews will then subsequently be analysed. The research will be analysed according to the original research objectives which are the focal points of the study.

According to Malhotra (1999), data analysis and preparation is the penultimate stage in the market research process. It is important that meaningful conclusions can be drawn from the data in order for appropriate decisions to be made. Aaker et al (2001), note that the purpose of data collection and analysis is to convert the data into ‘defensible, actionable sets of conclusions and reports’. In keeping with the quantitative nature of phase one of this study, the data for phase one consists entirely of numerical values and codes. Thus in order to organise, analyse and report on the data, the statistical computer package SPSS will be used (Statistical Package for the Social Sciences).

This chapter is constructed around the five key research objectives of this study. The data was analysed pertaining to the relevant research objectives. The survey covered four key areas which stemmed from the original research objectives, these sections are listed below;

- The Brand Concept
- Brand Strategy
- Building Global Brands
- Respondent details (i.e. The profile characteristics of the sample)

Analysis and Findings

The results and findings are reported and presented using specific descriptive methods that are deemed appropriate, such as pie charts, bar charts, frequency tables and cross tabulations. The chapter concludes with a brief review of the main findings from phase one and subsequently phase two. This serves as an introduction to the final chapter of the study, the conclusions and recommendations to be drawn from the research.

The author feels that it is important to note the absence of significant academic reference in this chapter as this is a new study and can at most be compared marginally to similar studies within the area of brand development. The author withholds from declaring this a limitation of the study but rather a result of the fact that this is new research being conducted into the area of Irish owned consumer brands.

5.2 Analysis Tools

The SPSS package consists of many different tools available to the researcher for analysing quantitative data. However, only some were deemed appropriate and thus selected for use in this study. Seven statistical analytical tools were utilised, these are outlined below.

- Frequency tables
- Pie charts
- Descriptive statistics
- Bar charts
- Histograms
- Cross tabulations
- Correlations; adopting Spearman's Rho coefficient, these were used to distinguish any positive or negative correlations between non-parametric ordinal variables.

5.3 Missing Values

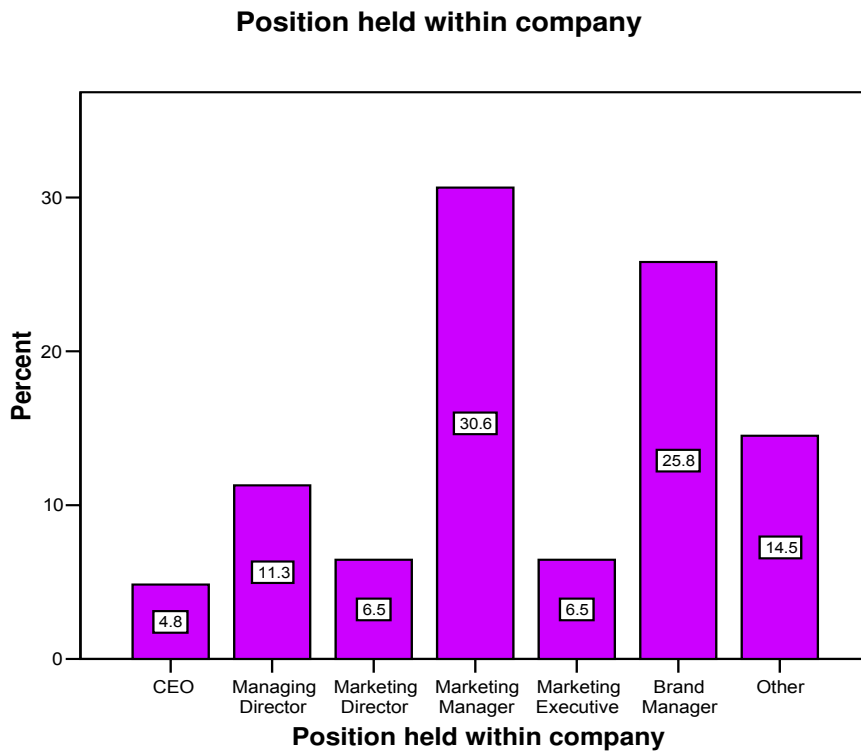
Missing data can often occur in research surveys and for a number of reasons for example respondents may accidentally miss out questions. So as not to allow for statistical difficulties in analysis the software program needs to know that values are missing for a particular subject (Field, 2000). A numerical value is normally given to represent the missing data point, in this particular study the numerical coding chosen to represent missing values was 99 as it is unlikely that this number will correspond with any other naturally occurring data value. By doing this, the validity of analysis is increased as SPSS will not include the missing value as a valid response.

5.4 Sample Characteristics

The sampling technique used for this research was convenience sampling. Quota sampling was not used and therefore there were no specific quota demographics such as age, gender or social class for which to use as dependant variables for analysis of the data. These questions 20, 21, 22 and 24 asked for respondent information and company characteristics and thus can be used as dependant variables to provide a base for comparison with other variables in the survey.

The first of these questions dealing with the sample profile was question 20 which asked respondents what their position is in their company. The results can be seen below in figure 5.1.

Figure 5.1



Analysis and Findings

When administering the survey, those who were most responsible for branding activities within the relevant company were sought as potential candidates for the research. As can be seen from the figure above, many of these respondents did not actually have the title of 'Brand Manager'. Respondents who dealt with branding activities as their main responsibility had varied titles. Most respondents were marketing managers, 31 per cent of the sample. The second highest category represented were brand managers made up 26 per cent of the sample.

The variance of positions is a key finding here from this chart. When companies were contacted, the 'person who manages the brand' or more specifically, the 'brand manager' was sought. If companies did have a brand manager their details were provided, but as the chart shows, in most instances, details of many other positions were provided instead. The data shows that in most cases, the marketing manager and thus the marketing department are principally responsible for the brand(s). The role of 'brand manager' is prevalent in the sample, but aside from this there is a large representation of other positions in companies which manage brands. For example, 14.5 percent of the sample stated 'other'. These positions further emphasise the wide variety of positions from the sample which had key branding responsibilities.

Figure 5.2 Respondent Positions

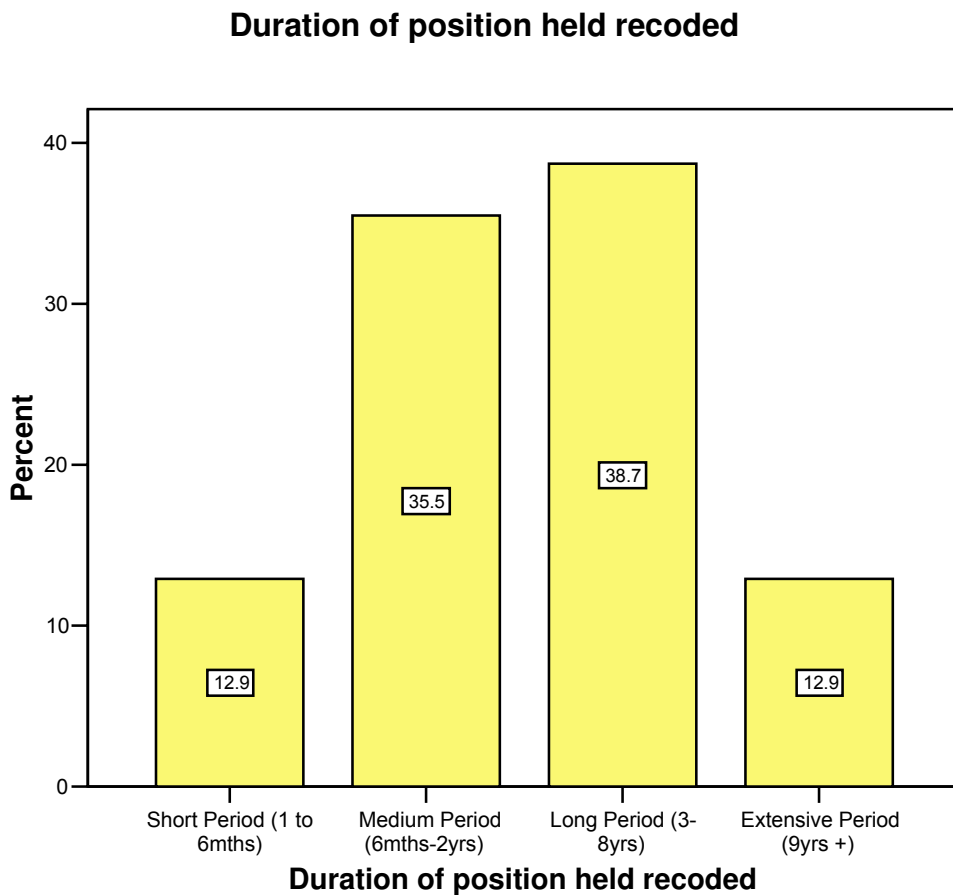
General manager
Export Sales Dev. Mgr.
Technical manager
Senior Brand Manager
Marketing Manager and Business Development Role
Strategic Director
Sales Director

The second question which dealt with the sample characteristics was Question 21. This question asked respondents for how long they have held their current position.

Analysis and Findings

Question 21 was presented in an unstructured format for respondents in the survey purely to increase simplicity for respondents and to increase brevity in response time. It must be noted that for analysis purposes this question has subsequently been recoded into several categories to provide for more clarification in analysis. The results from question 21 can be seen below.

Figure 5.3

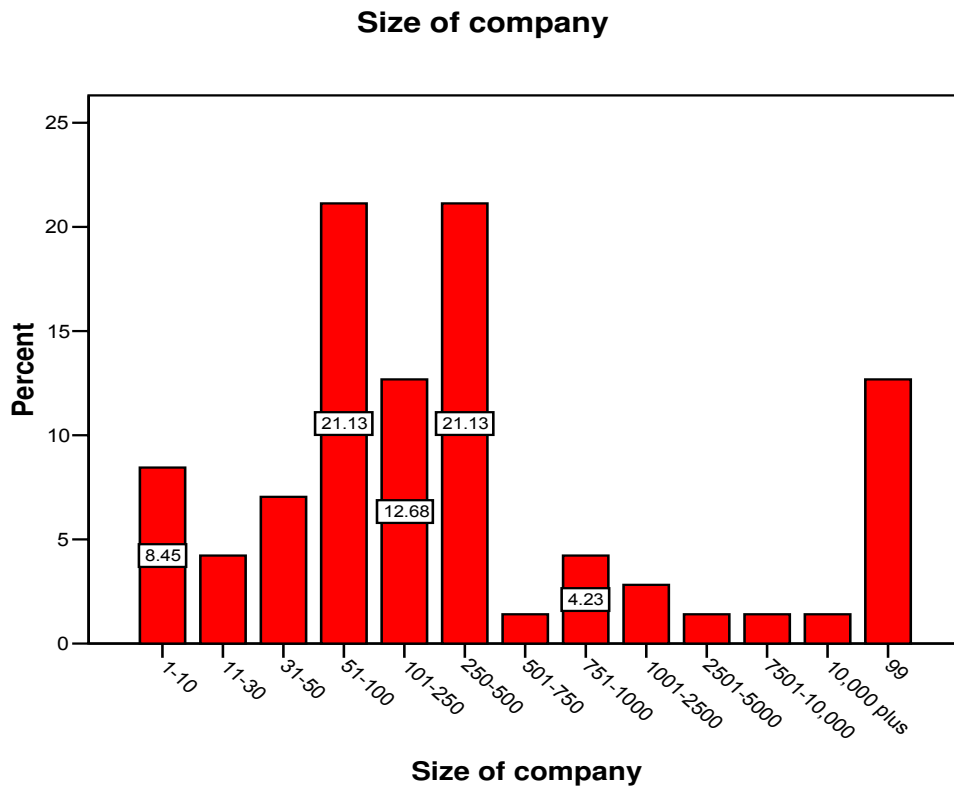


The categories were collapsed into four main durations; short period (1-6months), medium period (6mths-2yrs), long period (2-8yrs) and extensive period (9yrs plus). This allows for easier cross tabulation and categorisation with other variables later in the chapter.

Analysis and Findings

Question 22 focused on the respondent’s company and attempted to gain insight into the company size and scale of operations by asking respondents to give the size of their company in terms of number of employees. Figure 5.4 displays the results below.

Figure 5.4



It is clear to see from the above bar chart that the most represented size of company was both SMEs and slightly above as company sizes of 51-100 and 250-500 were the most commonly occurring with 21 per cent each respectively. Large corporations were not as prevalent, however they were represented but are the minority as companies with 2501 staff and over account for less than 10 percent of the sample. However, there is a slightly larger representation of companies with between 751-1000 employees, these make up 4 percent of the sample. Also worth noting is the

Analysis and Findings

percentage of companies that only had between 1 to 10 employees, these made up 8 per cent.

When these results are recoded and categorised according to the EU regulations for definition of company size (<http://ec.europa.eu>) the sample distribution becomes much clearer. According to the enterprise and industry section of the European commission website, as of 1st January 2005 the definitions of company size were amended in order to reflect economic changes since the previous amendment in 1996. The definition breakdown can be seen in Figure 5.5

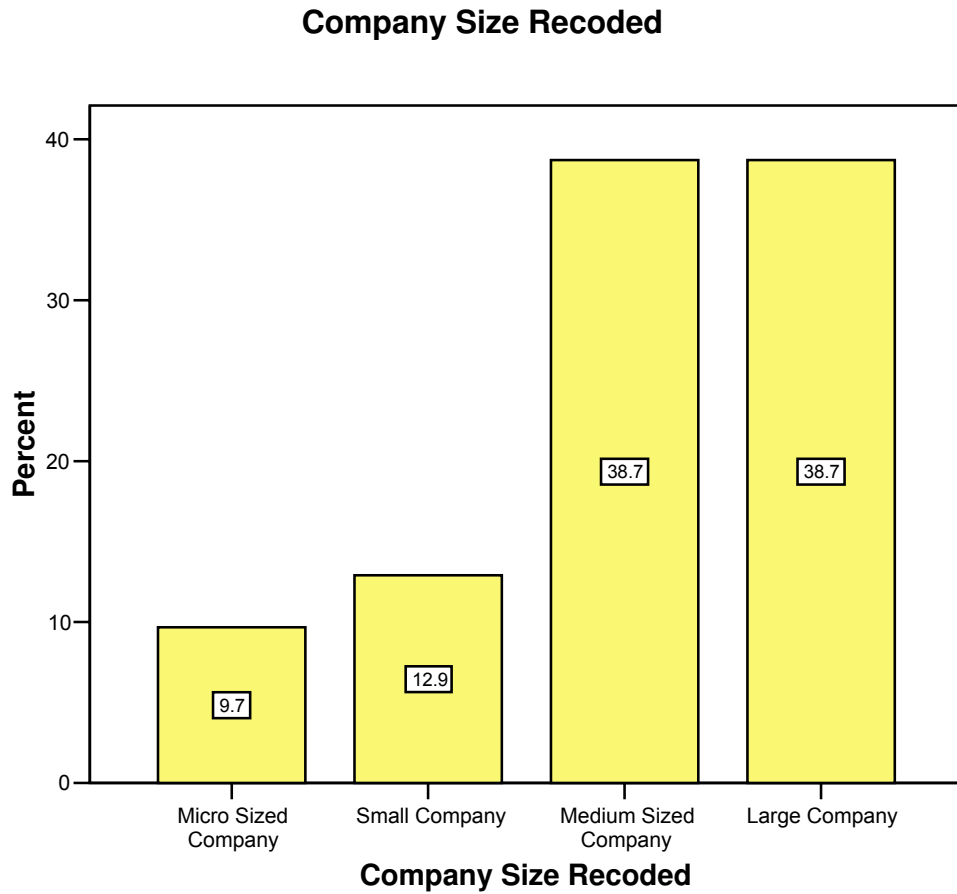
Figure 5.5 Breakdown of Company Size

Enterprise category	Headcount	Turnover	Or	Balance sheet total
medium-sized	< 250	≤ € 50 million		≤ € 43 million
Small	< 50	≤ € 10 million		≤ € 10 million
Micro	< 10	≤ € 2 million		≤ € 2 million

(Source: http://ec.europa.eu/index_en.htm)

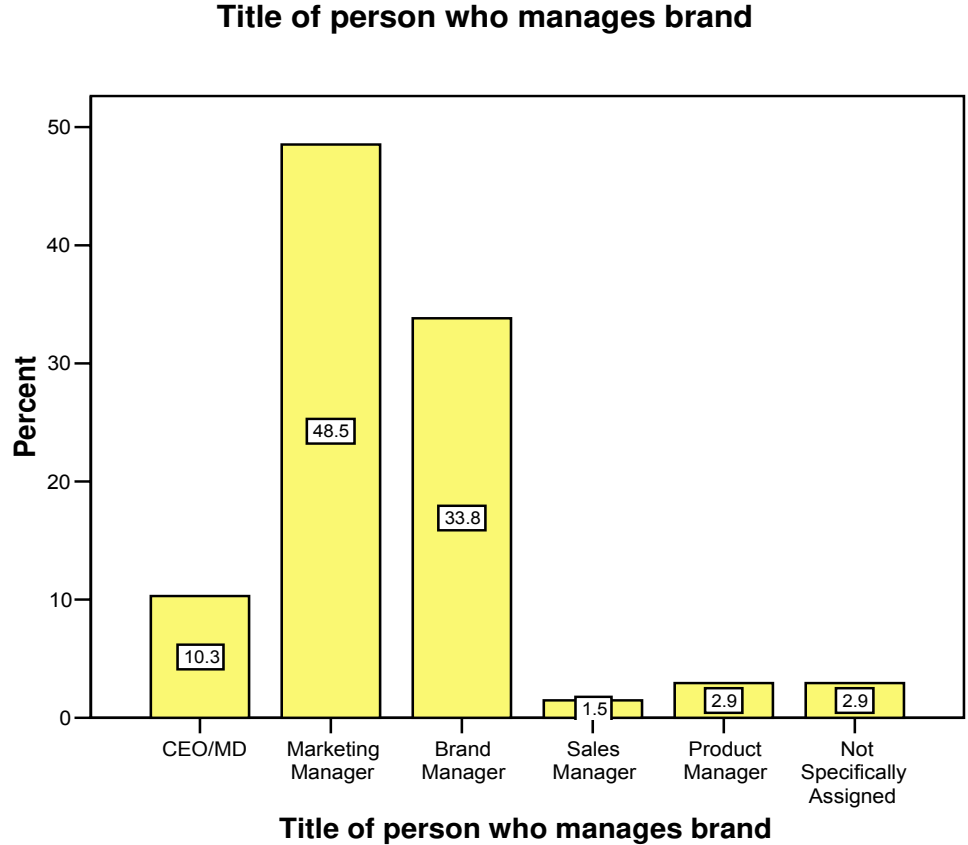
According to the EU categorisation an SME is a company which meets the above criteria and a large company is thus one which does not meet this definition. The distribution of company size in the sample according to the definition of a small to medium enterprise or SME can be seen in Figure 5.6

Figure 5.6



The distribution according to EU categorisation now shows a larger representation of large companies in the sample, 38 per cent and a similarly large representation of medium sized companies. Micro sized companies make up almost 10 per cent while small companies represent 13 per cent of the sample.

Figure5.7



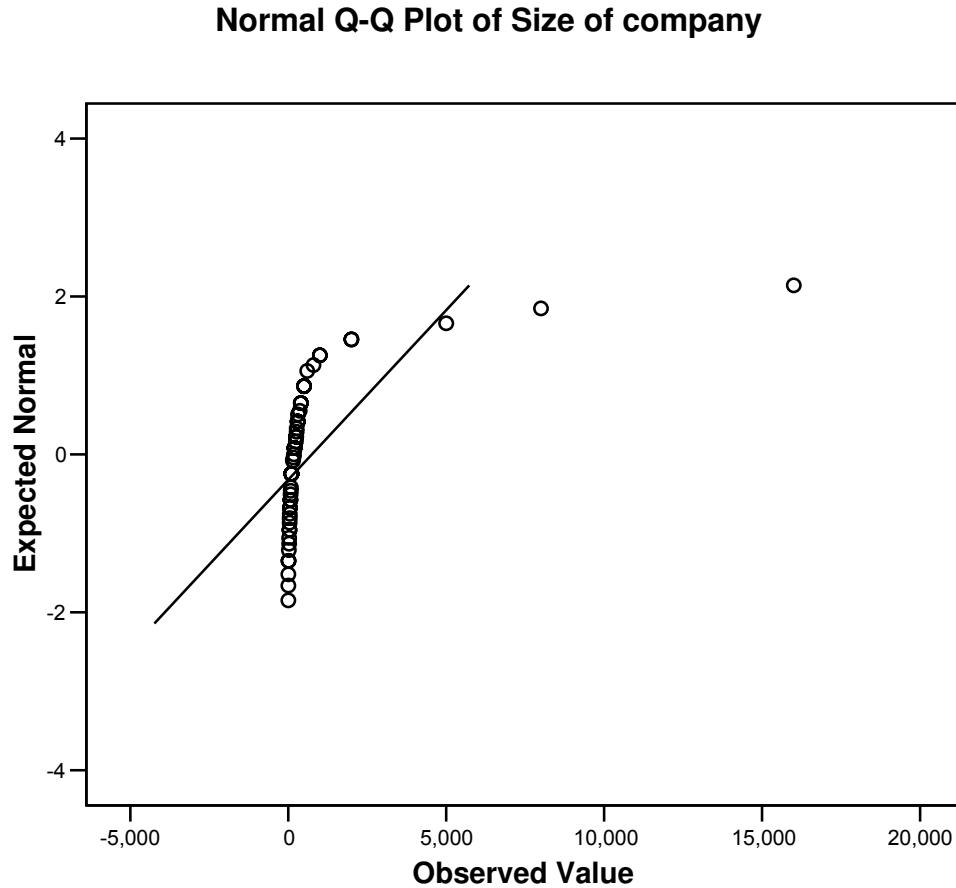
Most brand managers were from large companies, 58 per cent. A high proportion of marketing managers were from SMEs; 71 per cent and again most of the CEOs and MDs were also from SMEs.

Figure 5.8 below shows a Q-Q plot. The Q-Q chart plots the values you would expect to get if the distribution were normal (expected values). The expected values are a straight diagonal line, whereas the observed values are plotted as individual points.

These plots confirm that the distribution of data is not normal because the dots deviate substantially from the line. As the data is not normal for the company size

variable, this means parametric tests (i.e those that assume data is normally distributed) cannot be used.

Figure 5.8



Question 23 was again focused on gathering data on the respondent's company. This question asked respondents in what year their company was founded. This question was needed to gain insight into the effects of time and branding activities however the results were not found to be significantly relevant for the findings of the research.

This question along with questions 1 and 2 at the beginning of the survey, were designed to give context to the sample. These were descriptive in nature and were not deemed to be relevant or significant to the findings of the research, however

their purpose was to aid the author gain an understanding and context for the sample characteristics.

5.5 Analysis According to Research Objectives

It must be remembered with regard to the research objectives that this is an exploratory study and no specific hypotheses were stated for this research. Rather a set of broader contextual research objectives was set, therefore there were a series of questions that can relate to one objective, rather than one specific question that exclusively relates to a specific objective. In addition, it must also be remembered that this is a two phase methodology study and therefore no single objective will be satisfied after the first phase of research.

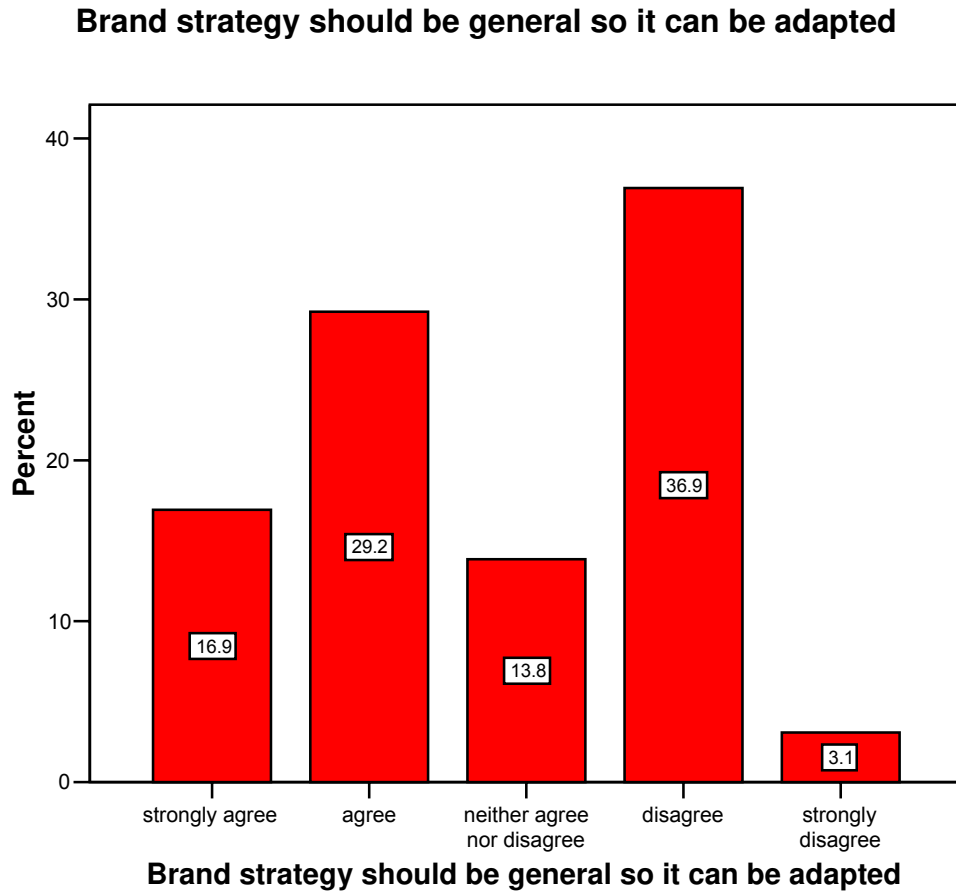
5.6 Analysis of Research Objective One

The first research objective of the study is as follows;

To identify key strategies for creating and developing global brand leadership in an Irish context and to examine attitudes towards the concept of a global brand

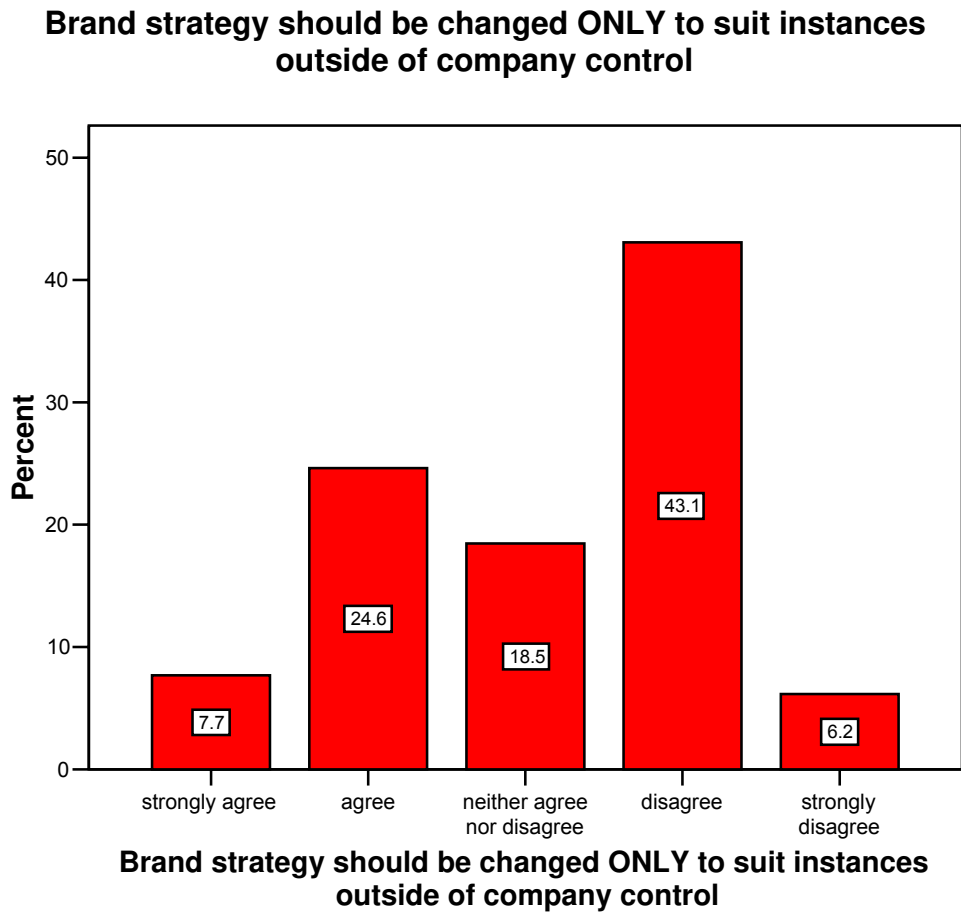
Questions that gathered data relating to this objective were numerous as this objective is quite broad and exploratory in nature. However there were some key questions directly relating to brand strategy in section three of the survey. The first of these was question 9 which was a likert scale measuring respondents' attitudes towards various statements regarding brand strategy. There were nine statements for question nine in total, coded alphabetically in SPSS from A to I. Several of these statements were worded carefully with the aim of deciphering respondent's attitudes towards both emergent and deliberate strategic management styles. The frequency distribution for all statements relating to question nine can be seen below in the following charts.

Figure 5.9



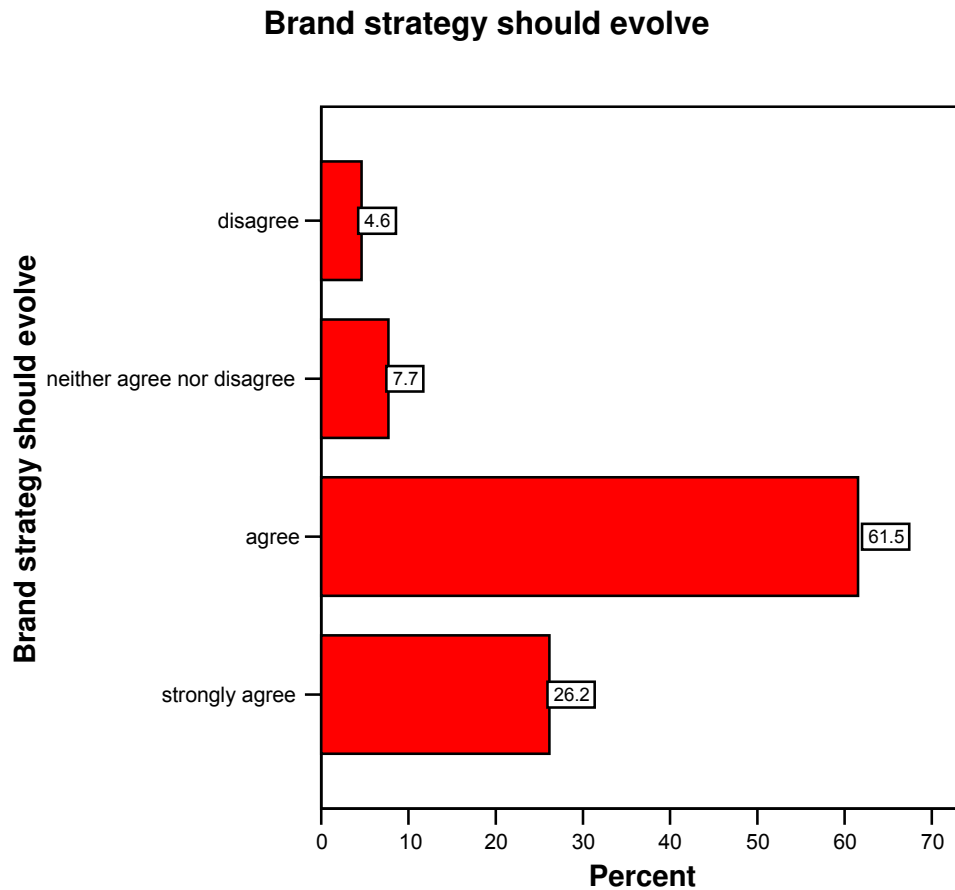
This question, 9a, was specifically worded to measure respondent's attitudes to the emergent style of strategic management. From Figure 5.9 above there is a clear indication that overall there is not much difference in the sample between those who agree and those who disagree with this statement.

Figure 5.10



This statement, 9b, referred to a deliberate style of strategic management. It is clear from the chart above that most respondents disagree with this statement as 43 per cent chose this response. Even when the percentages of those who responded positively versus those who responded negatively are summed, there is a greater proportion of the sample who disagree overall, rather than agree with this statement. However, those who selected neither agree nor disagree account for 18.5 per cent of the sample which is a notable percentage of the sample and therefore this must be taken into consideration.

Figure 5.11

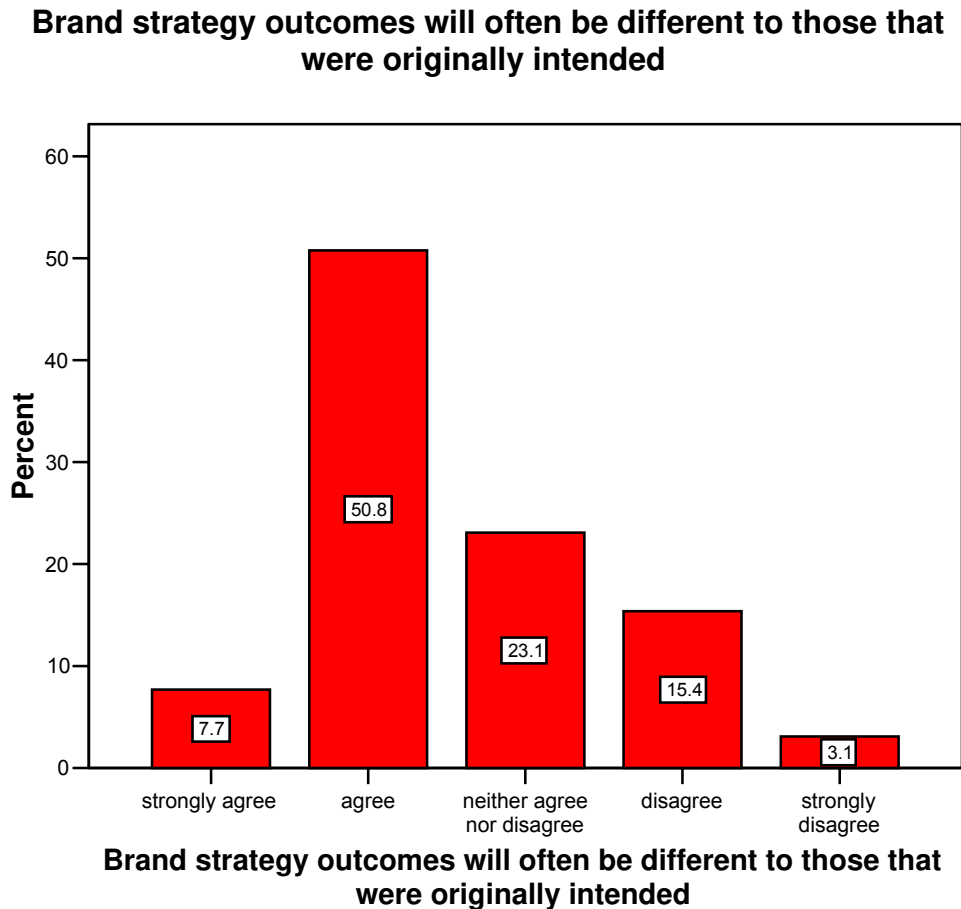


This statement, 9c, was general in nature and can relate to all areas of strategic management including deliberate or emergent strategic styles. The general consensus is that brand strategy should evolve and therefore stagnation in any area of brand strategy could negatively affect on the brand. This is supported by the large percentage of respondents who agreed with this statement, 61.5 per cent and furthermore 26 per cent who strongly agreed with this statement.

The next statement, 9d, asked respondents to indicate their level of agreement with regards to the outcomes of strategy, whether outcomes will be those that were intended, (which would be testament to a deliberate brand strategy) or, whether outcomes will often be different to those that were intended which would be more a

characteristic of an emergent brand strategy. The results can be seen in Figure 5.12 below.

Figure 5.12

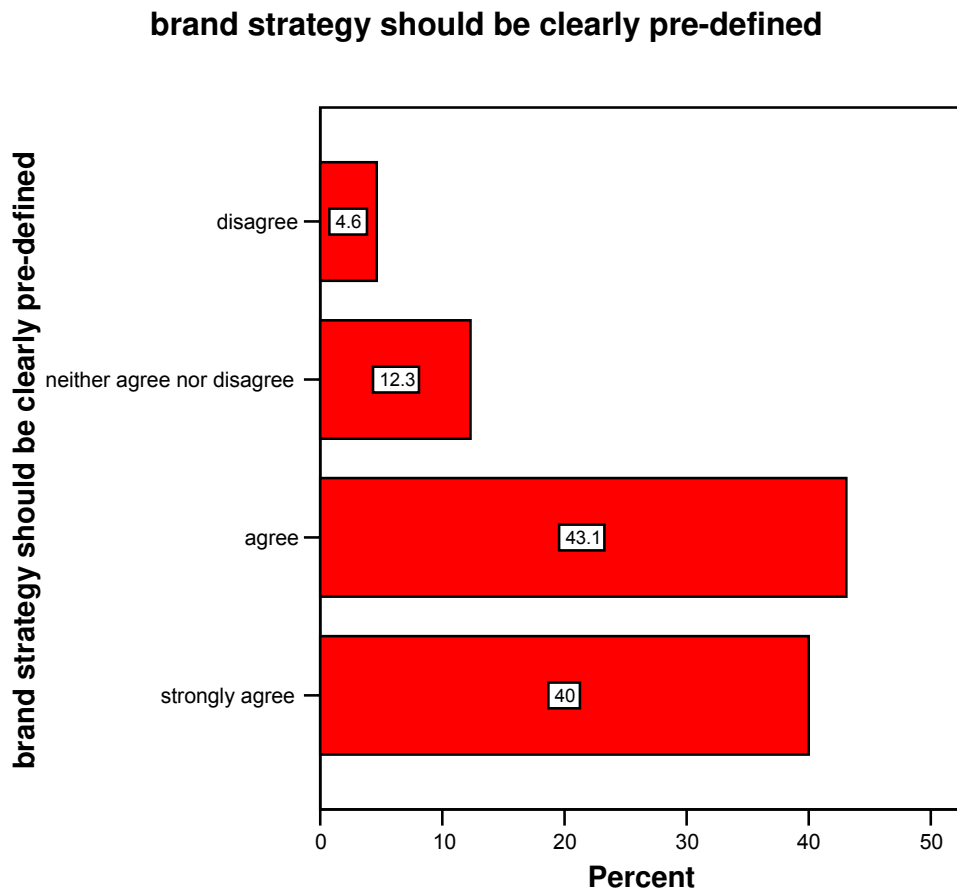


Interestingly most respondents, 58 per cent, either agree or strongly agree that the outcomes of brand strategy will often be different to those that were originally intended. The difference could be either positive or negative, but the main point is that most of the sample believe that brand strategy is open to influence which could affect the outcome of the intended strategy. The high proportion of respondents, who selected 'neither agree nor disagree', 23 per cent, is also significant in indicating that some respondents' attitudes towards this statement are not particularly strong.

Analysis and Findings

There is a noticeable difference in the strength of attitudes from statement 9d above and statement 9e below represented in Figure 5.13. In this bar chart, the majority of respondents clearly believe that brand strategy should be clearly predefined. This statement again relates to a deliberate style of strategic management. Respondents attitudes towards this statement are strong but it cannot be measured how strong. From the bar chart below all that can be noted is that 43 per cent of respondents agreed with this statement and a large percentage of the sample, 40 per cent strongly agreed with this statement.

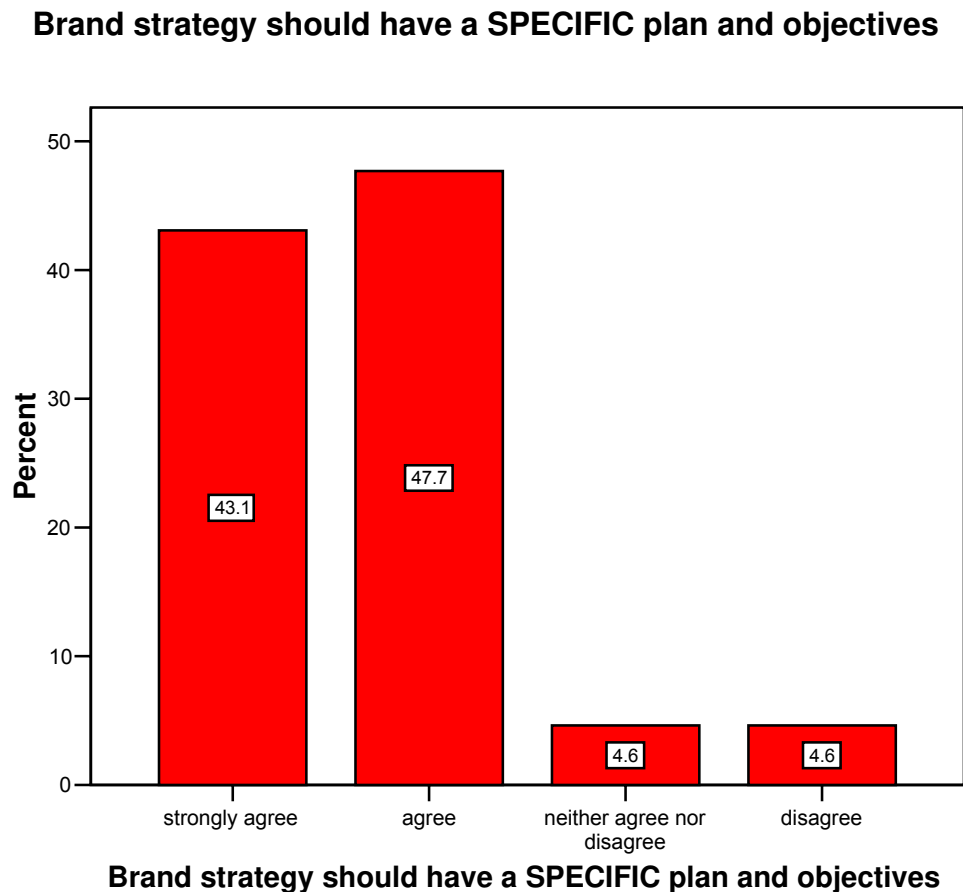
Figure 5.13



Analysis and Findings

The findings from question 9e mirror those for question 9f below. The statement for this question again was worded in order to relate to a deliberate style of strategic management. The findings can be seen below in Figure 5.14

Figure 5.14

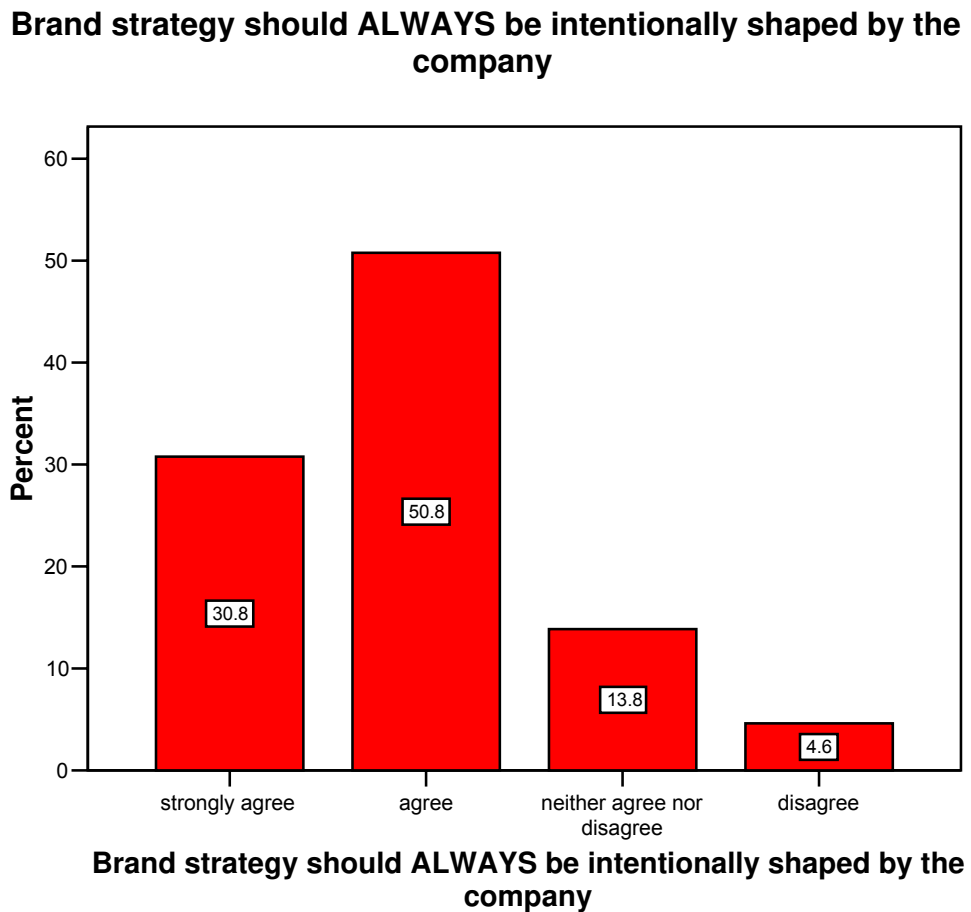


Most respondents feel strongly with regard to the above statement that brand strategy should have a specific plan and objectives. The statement was carefully worded to include the word 'specific' plan and objectives in order to ensure that the statement related to a deliberate strategic management philosophy. 43 per cent strongly agreed and 48 per cent agreed with this statement. There was a very low percentage that was indifferent or disagreed.

Analysis and Findings

The next statement 9g reverted back to measuring attitudes regarding deliberate versus emergent strategy. The statement in question 9g was heavily in favour of deliberate strategy and asked respondents to state their level of agreement with this statement. The findings are displayed in Figure 5.22 below;

Figure 5.15

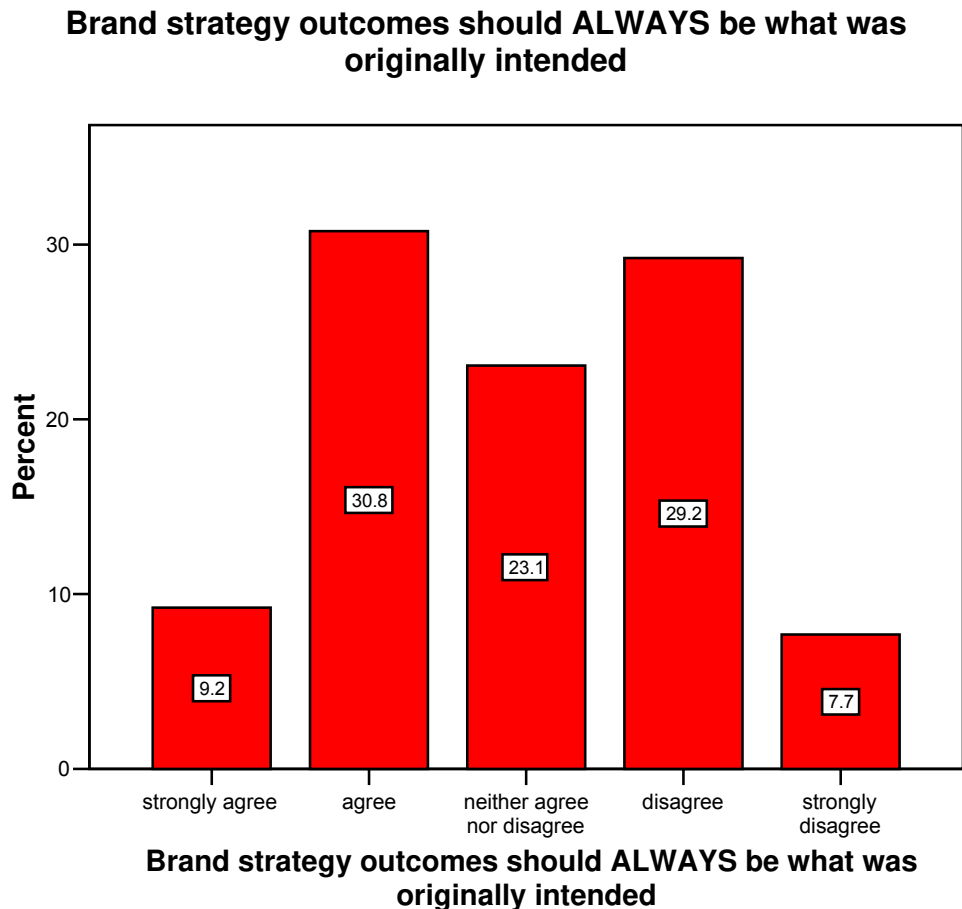


Again, there were more respondents who agreed with this statement than disagreed. 51 per cent agreed and 31 per cent strongly agreed. 14 per cent were indifferent towards this statement. These findings show respondents feel strongly regarding their attitudes towards strategic brand development. Moreover, most agree that brand strategy should be shaped by company decisions and not external influences which would therefore epitomise a deliberate strategic style.

Analysis and Findings

With regard to question 9h, there was a mixed response from the sample. The statement for this question related to a deliberate strategy where specific targets and goals are set for the brand to achieve. The statement was also worded in such a way as to allow for the exceeding of targets and the responses reflect this. 31 per cent of the sample agreed with this statement and almost the same figure 29 per cent disagreed. There was a high percentage representing indifferent attitudes as 23 per cent neither agree nor disagree which reflects how respondents may have interpreted the statement differently. In fact the distribution of responses is interestingly symmetrical with almost the same percentage strongly disagreeing with the statement as those who strongly agreed. The findings are shown in Figure 5.16 below.

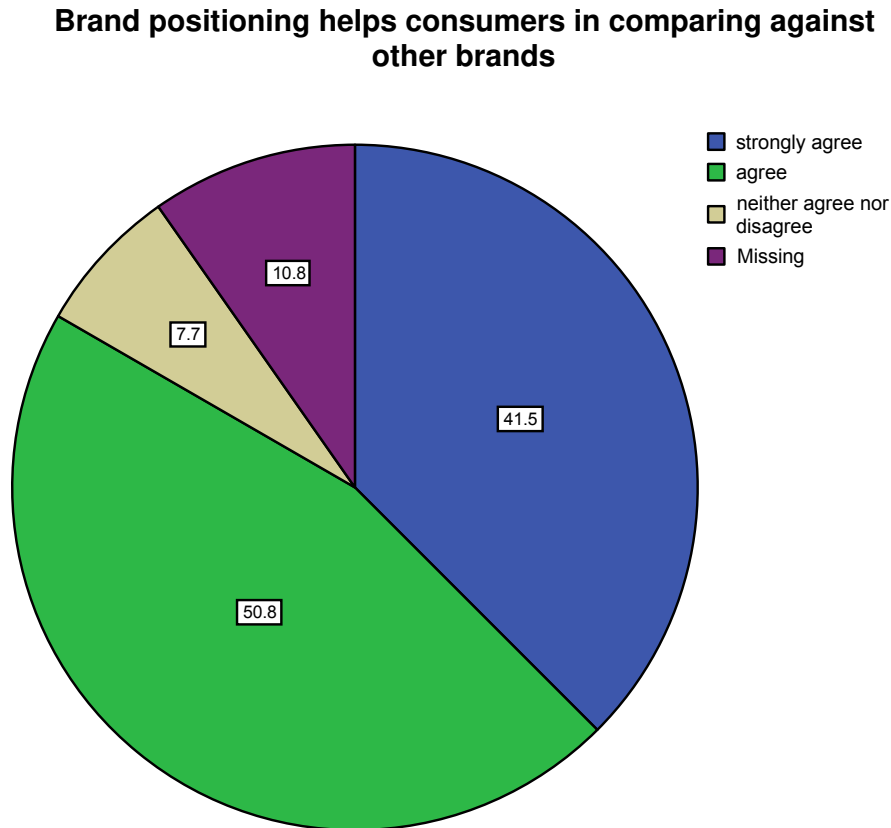
Figure 5.16



Analysis and Findings

The next question relating to objective one was again in section three of the survey under brand strategy, question 10. This question was a key question in the survey and specifically focused on a critical area of brand strategy-namely brand positioning. Question 10 was structured as a likert scale question with carefully worded statements which were drawn from the literature and current academic thinking regarding positioning. Respondents were asked to state their level of agreement with these statements, thus providing an indication towards their attitudinal disposition on the subject of brand positioning. Question 10 was broken down into sub statements and coded alphabetically to facilitate analysis. The findings from the first statement question 10a, can be seen in Figure 5.17 below

Figure 5.17 Brand Positioning helps consumers in comparing against other brands



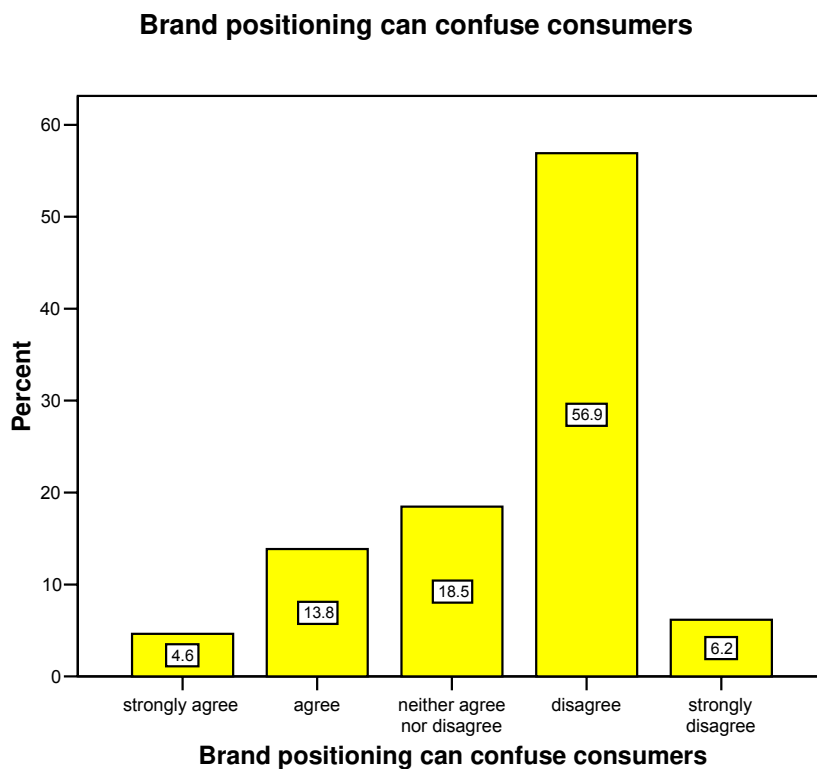
There was a positive response from the sample with regard to this statement. 51 per cent of respondents agreed that positioning helps consumers in comparing against

Analysis and Findings

other brands and a further 42 per cent strongly agreed with this. Given that brand positioning is used as a strategy for differentiation and thus used as basis for comparison with brand alternatives, it is not surprising to see that 42 per cent of the sample strongly agreed with this. Notably, not one respondent disagreed with this statement.

There were two introductory questions included in the questionnaire; question 10a ('brand strategy should be reviewed regularly') and 10b ('brand positioning is a fundamental aspect to brand strategy'), which, while derived from the literature, were expected to result in almost total agreement. This, unsurprisingly, was the case, so this data was omitted from the chapter.

Figure 5.18 below displays the findings for question 10c.

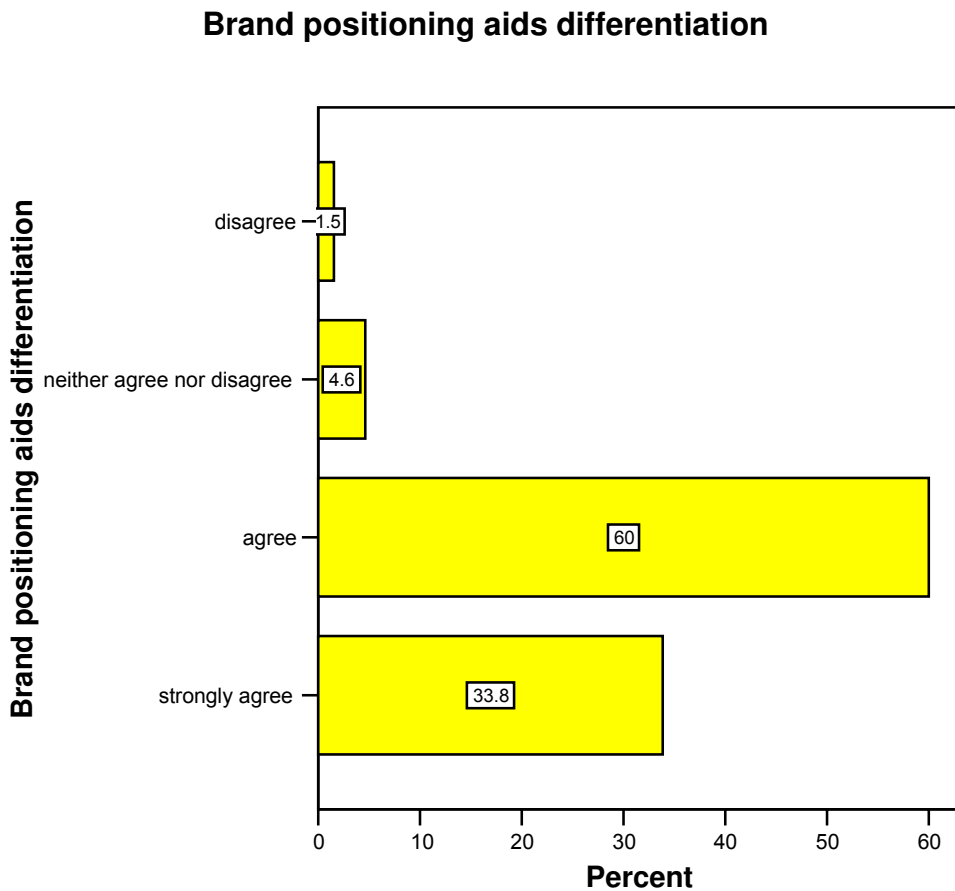


Analysis and Findings

The results for question 10c clearly show that a high proportion, 57 per cent of practitioners feel that brand positioning does not confuse consumers, therefore showing support for positioning as a key element in brand strategy. As this statement is particularly consumer centred, it must be borne in mind that this study is from a practitioner’s point of view and did not therefore research consumers opinions, meaning that these results could be open to slight bias. If the same question was posed to consumers the findings may show differences in attitudes towards this statement.

Question 10d was more focused on the strategic elements of brand positioning and one of the fundamental aims of brand positioning which is differentiation from competitors. The results are displayed in Figure 5.19.

Figure 5.19 Brand Positioning aids differentiation

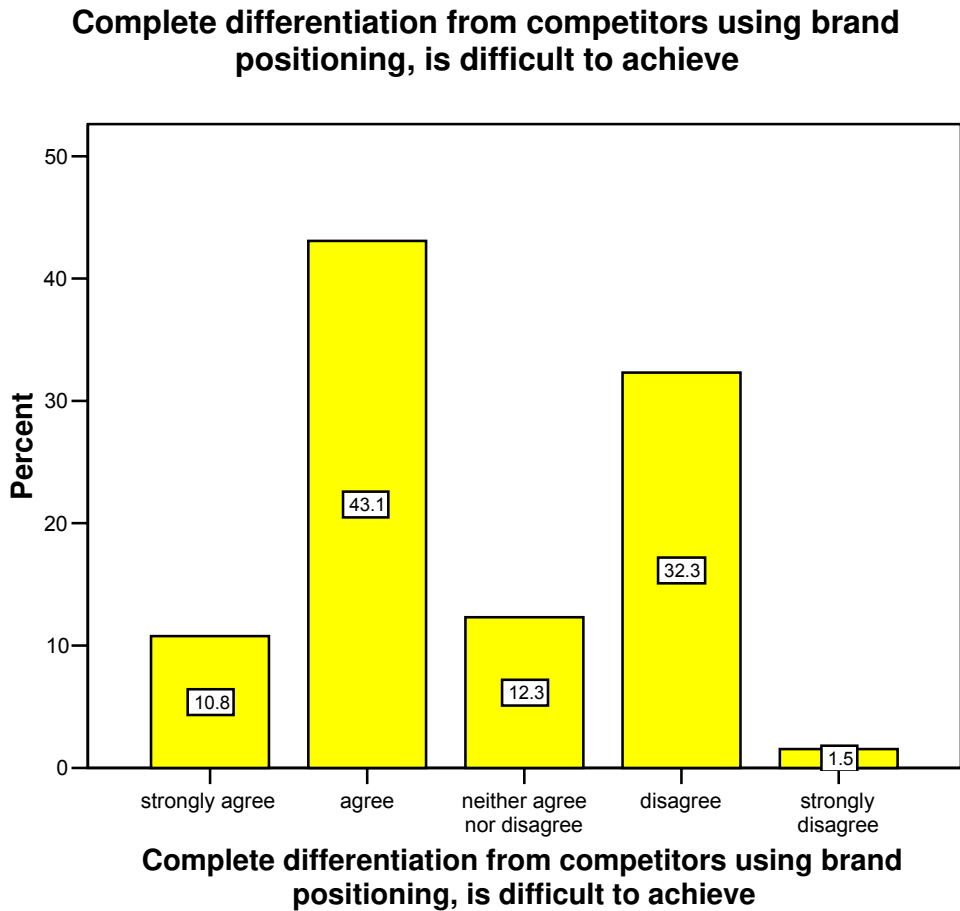


Analysis and Findings

In this question, 10d, respondents again showed support for the belief that brand positioning aids differentiation in the marketplace. A very small percentage 1.5 per cent disagreed with the statement. But moreover, 60 per cent agreed and 34 per cent strongly agreed. Interestingly less respondents strongly agreed with this statement than the previous statement in question 10b regarding positioning being fundamental to brand strategy. This could be that this statement is slightly more focused in nature referring to a specific attribute of positioning (i.e. differentiation) rather than the need for positioning in the wider context of brand strategy.

In the next question 10e, the results are slightly less skewed. The results for 10d are displayed in Figure 5.20 below;

Figure 5.20

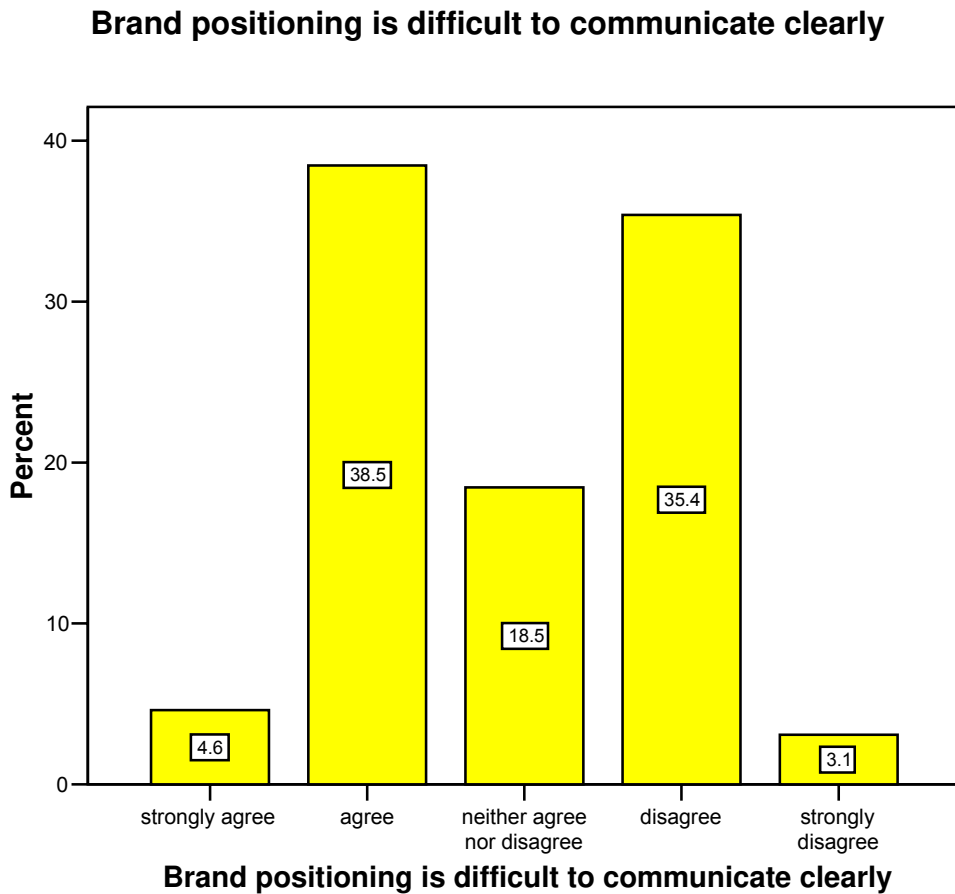


Analysis and Findings

Again relating to the core function of brand positioning – differentiation, this statement was worded in order to gain insight into respondent’s attitudes towards the level of difficulty associated with attaining complete differentiation using brand positioning. The results show respondents feel that this is in fact a difficult feat. 43 per cent agreed with this statement and a further 11 per cent strongly agreed. Nevertheless, 32 per cent of these did in fact disagree with the statement.

Even though respondents indicated they felt some elements of brand positioning are difficult, the results from question 10f below indicate a slightly mixed attitudinal view as illustrated below in Figure 5.21

Figure 5.21



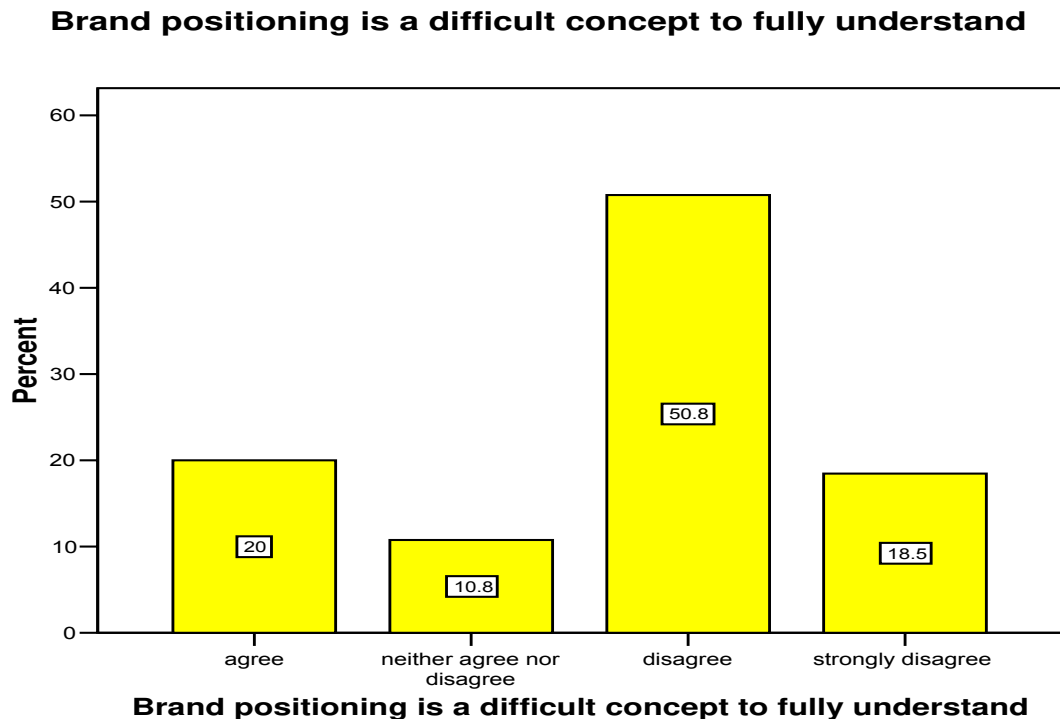
Analysis and Findings

Responses to question 10e show a slightly more positive attitudes towards the overall communicational aspects of brand positioning (i.e. The brand message, brand personality, identity etc). 35 per cent of respondents disagreed with the statement and 3 per cent strongly disagreed. A similar percentage had the opposite view and agreed with the statement, 39 per cent, whilst 4 per cent strongly agreed.

The mixed attitudes towards this statement are further illustrated by the relatively high percentage of the sample (18 per cent) that selected 'neither agree nor disagree'.

Question 10g attempted to find out if respondents felt that they fully understood the concept of brand positioning. The findings are illustrated in Figure 5.22

Figure 5.22



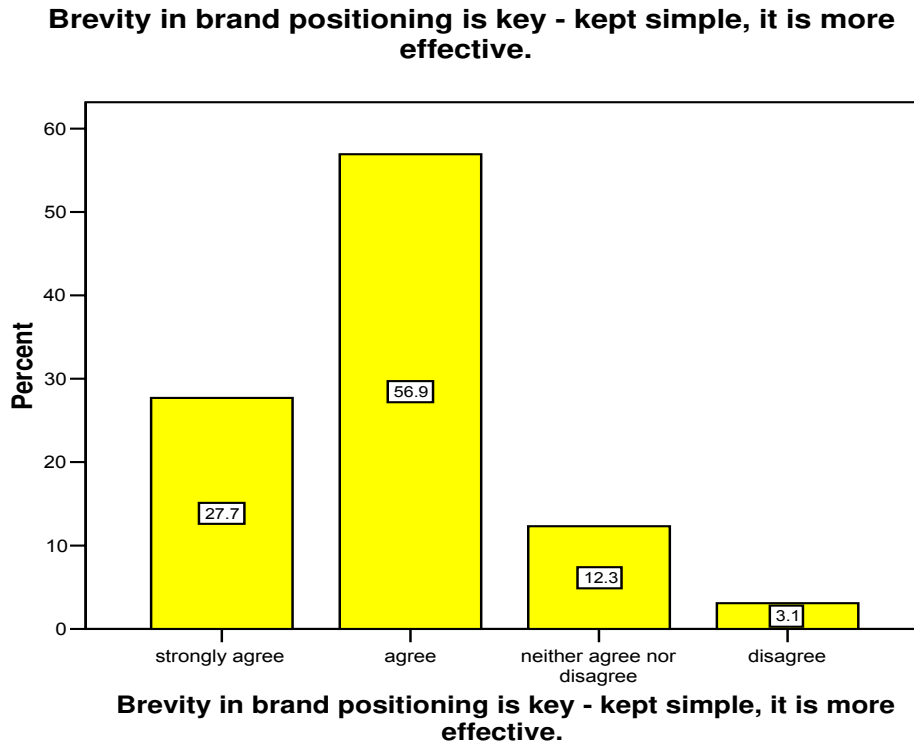
The results of this question indicate that respondents do feel that they fully understand the concept of brand positioning, as 51 per cent disagreed with this statement and a further 19 per cent strongly disagreed. However 20 percent of the sample did feel that that they didn't fully understand the concept of brand

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positioning. This is an interesting statistic given the high calibre of respondents who took part in the research.

Question 10h was a carefully worded statement derived directly from academic thinking from Aaker, 2001 and Doyle, 2000. The statement was included with reference to the current trend in branding for over complicated positioning which often confuses consumers and fails to deliver the brand message clearly. This question looked to gain insight into particular styles of brand positioning and whether respondents felt that kept simple, brand positioning would be most effective. The findings are illustrated in Figure 5.23

Figure 5.23 Brevity in Positioning is key – kept simple it is more effective



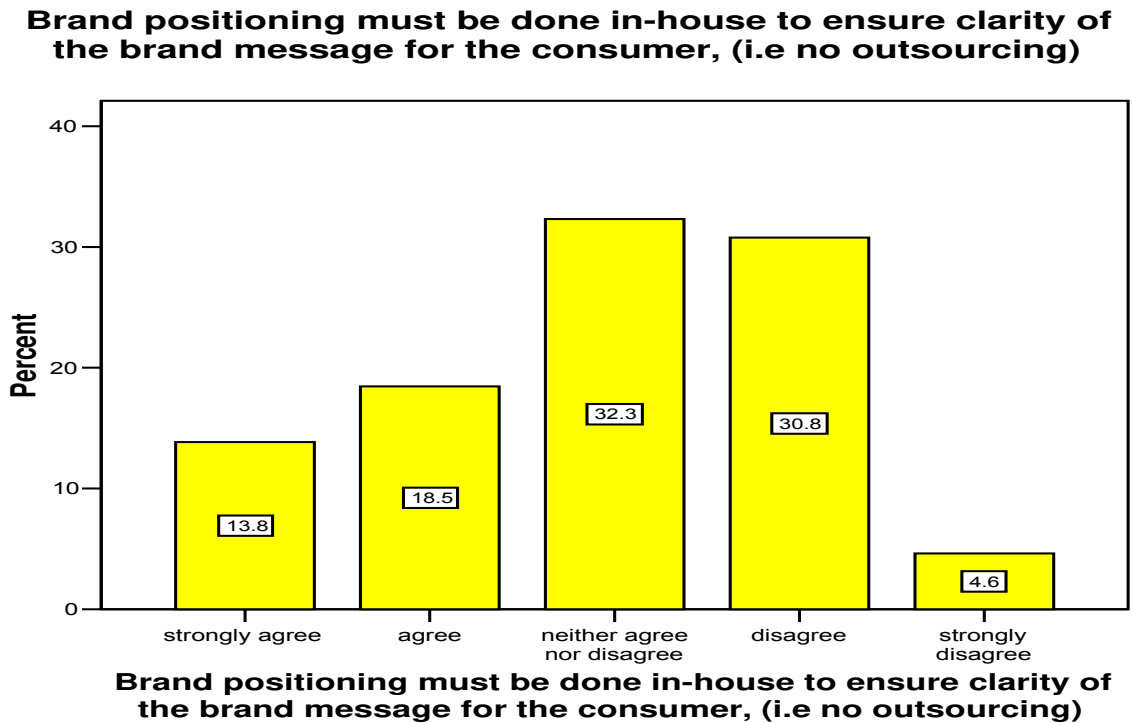
The results indicate that respondents feel that the effectiveness of brand positioning is compromised the more complicated the brand positioning strategy becomes. 28

Analysis and Findings

per cent of respondents strongly agreed with this statement. There were no respondents who disagreed and only a very small percentage that strongly disagreed, 3 per cent.

In a similar vein to question 10h, question 10i related to another notable trend in brand strategy – outsourcing. In particular, the outsourcing of all brand operations which includes brand positioning. The dilemma experienced by many b to c companies is whether to keep brand operations in house, thereby ensuring total control over operations or, to outsource and in doing so cut costs but risk effectiveness of brand communication. Figure 5.24 displays the results of this question.

Figure 5.24

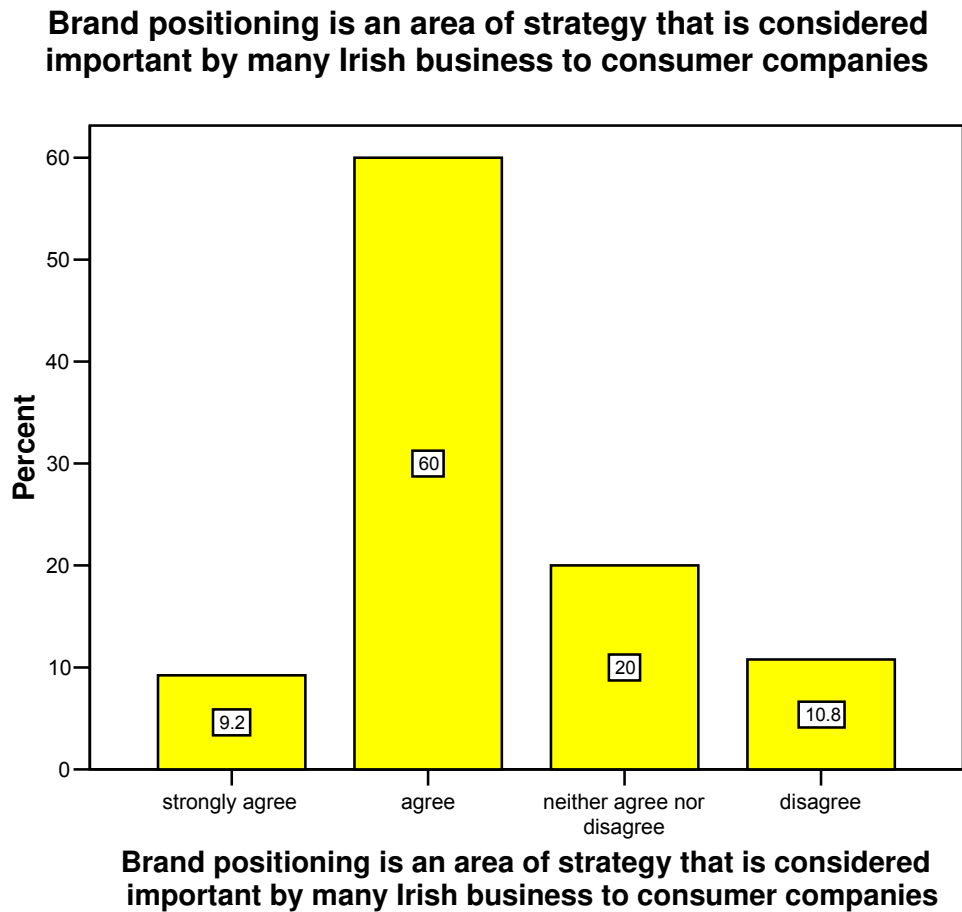


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The results show a mixed response as is illustrated by the high number of respondents who stated ‘neither agree nor disagree’, 32 per cent. There is support for the outsourcing trend as 31 per cent disagreed with this statement.

Question 10j was the final statement with regards to brand positioning. This question specifically focuses on the use of positioning as a key function of branding strategy by Irish owned consumer companies. Moreover, the statement specifically relates to the importance Irish companies place on positioning, and attempts to gain insight into respondent’s attitudes towards this. The findings are illustrated in Figure 5.25

Figure 5.25



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Respondents feel that brand positioning is considered important by Irish owned consumer companies; 60 per cent agreed with the statement. A further 9 per cent strongly agreed. Notably 11 per cent of the sample disagreed with the statement and 20 per cent were indifferent which could indicate a lack of strong attitude towards this subject.

All of these statements related to a specific element of brand strategy namely brand positioning and the factors therein. This focused question gained insight into respondent's attitudes to several particular areas of brand positioning; whilst remaining within the wider context of identifying key strategies for creating and developing global brand leadership in an Irish context.

The analysis now moves onto to examine question 11, another key question which relates to objective one. Question eleven develops on a strong theme throughout the brand literature regarding brand strategies that is, the brand character statement or BCS. Many authors advocate the benefits of a BCS of some kind within a company notably Aaker (2002). With regards to the BCS as a key strategic tool, Chevron (1998) notes that a BCS embodies a company culture, brand personality and moreover acts as a reference point for strategic decision making and all stakeholders.

Question 11 was unstructured and was split into two parts. The first section asked if respondents had a BCS or similar document in their company. If respondents replied 'yes' the second section asked respondents to describe briefly the main elements of the BCS or a brief overview of what it included. The results for this question will now be illustrated and the findings detailed.

Figure 5.26

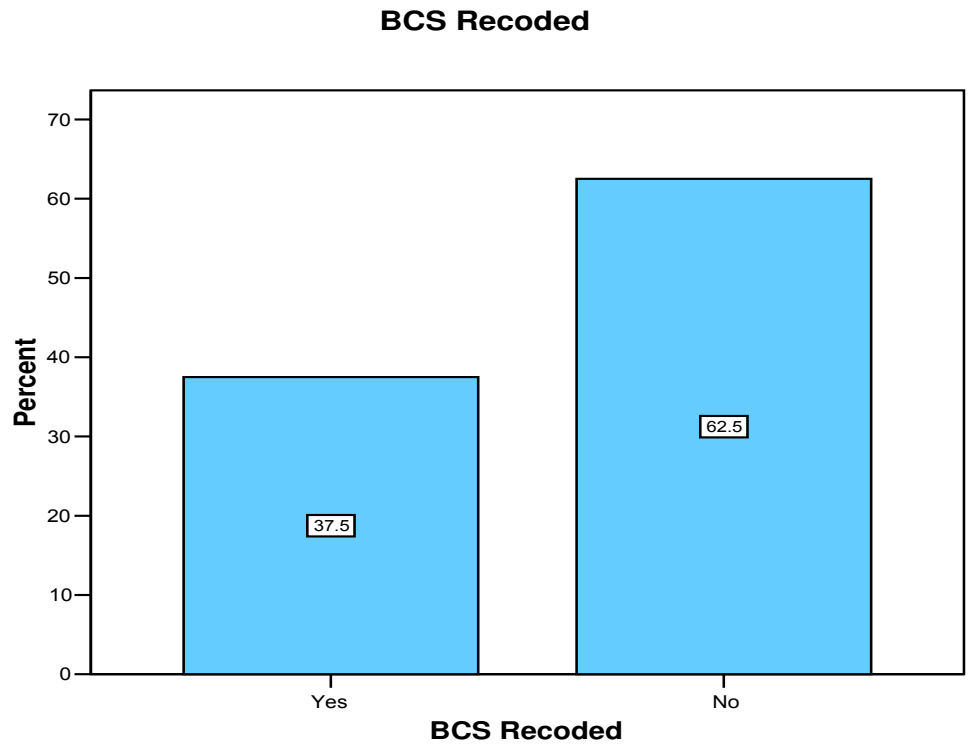


Figure 5.26 shows that most companies do not have a BCS or similar document, this is just over 60 per cent of the sample. However, 38 per cent of respondents indicated that their company *does* have a BCS or similar document.

As question 11 was partly unstructured in order to facilitate easier response, the data for this question cannot be analysed using SPSS. There were some interesting responses to question 11b which asked respondents to describe briefly what is included in their company's BCS. Some of the responses are reproduced from SurveyMonkey's own web based analysis features. Question 11 is presented again in Figure 5.26 along with the unstructured responses from those who indicated that they *did* have a BCS or similar document in their company. Responses are also tabulated for presentation purposes.

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Figure 5.27 BCS Responses

Q.11	'BCS' stands for 'Brand Character Statement'. This is a statement (about a page long) which helps develop and shape strategy by clearly outlining a brand's personality & identity. It is a reference document for all branding decisions which ensures consistency in all branding areas to all stakeholders. Do you have a BCS or any similar document in your company?
<u>1.</u>	<i>"A corporate brand mission, nothing for sub brands"</i>
<u>2.</u>	<i>"Brand promise of the company, brand values and overall company mission"</i>
<u>3.</u>	<i>"Brand values and brand promise - what brand stands for both for consumers and employees"</i>
<u>4.</u>	<i>"Confidential"</i>
<u>5.</u>	<i>"It includes an introduction to the company, it discusses in general terms the vision the organization employs and it explains the imagery behind the company's logo"</i>
<u>6.</u>	<i>"Our brands positioning is broken out into target market, core competency, rational & emotional benefit, personality & values, consumer insight & brand essence."</i>
<u>7.</u>	<i>"Brand Essence Brand positioning Brand journey"</i>
<u>8.</u>	<i>"Brand values of integrity, excellence and passion"</i>
<u>9.</u>	<i>"SWOT"</i>
<u>10.</u>	<i>"Brand statement Product positioning logo and design guidelines"</i>
<u>11.</u>	<i>"Target Market (primary and secondary), brand personality, positioning, brand tagline, description of the physical brand attributes - packaging, image etc"</i>
<u>12.</u>	<i>"Guidelines to how artwork should look, copy is worded to be quirky, tongue in cheek, emphasis on fresh not frozen food etc."</i>
<u>13.</u>	<i>"Yes, we have a set of corporate guidelines. These guidelines state our brand ambition and objectives; they outline how our logo and tagline should be used and also describe how our packaging should be developed. The guidelines also outline our advertising approach. The corporate guidelines are in place to ensure that we do not deviate from our objectives for our brand".</i>
<u>14.</u>	<i>"Personality Values Brand Truths Brand Essence UCA"</i>
<u>15.</u>	<i>"We try to avoid a wordy document and instead we have a visual of our Brand DNA. This clearly outlines the physical attributes, physical benefits, personality of the brand and our consumer. This is constantly viewed and has been communicated throughout the company - from the production manager to the canteen lady"</i>
<u>16.</u>	<i>"No but a corporate statement "</i>
<u>17.</u>	<i>"Two sections to this: Brand Identity, including brand truths, brand values, brand personality, and Brand Positioning, including target consumer, competitors, consumer insight, and unique selling point for brand"</i>
<u>18.</u>	<i>"Vision Values Characteristics Personification of brand onion"</i>
<u>19.</u>	<i>"Brand essence, differentiators, character, benefits, and strengths."</i>
<u>20.</u>	<i>"Mission vision and values statement underpinning the company (the brand) and all it stands for"</i>
<u>21.</u>	<i>"To be the most trusted source of business information globally via the web."</i>

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Figure 5.27 shows that of those who indicated that they did have a BCS or a similar document, 37.5 per cent, each respondent, went on to briefly describe what it includes. The table clearly shows a great variance in responses. Firstly, there are some ambiguous responses, that is, some respondents interpreted their mission statements as their BCS and described what their mission statement included, for example, *'to be the most trusted source of business information globally via the web'*. As Chevron (1998) notes a BCS and a mission statement are in fact different, each having a slightly different emphasis in wording and purpose. This will be discussed however in more detail in the next chapter.

Some responses relate to completely different areas of the business altogether, the response *'SWOT'*, for example is a strategic analysis tool and not a brand character statement. There is a notable trend in the responses to incorporate both key brand elements such as brand values, and brand identity into the corporate mission statement and this is what respondents replied was their BCS. This in fact contrasts with the literature which distinctly notes the BCS as a *separate* document which is focused on everything concerning the brand and no more. In addition, some respondents indicated that their BCS included areas of marketing operations and specific day to day rules for integrated marketing communications; again, this is not what a BCS should involve rather, these are outcomes of a brand strategy underpinned by a BCS. Some of these mentioned by respondents included guidelines for promotions for example, which actually relate more to day to day marketing management than the more strategic areas of brand identity or personality.

There were some responses however that did incorporate the key elements of a BCS *and* the purpose (as noted in the literature) that a BCS has within a company. The following selected responses provide some examples;

- *'Brand values and brand promise - what brand stands for both for consumers and employees'*,
- *"We try to avoid a wordy document and instead we have a visual of our Brand DNA. This clearly outlines the physical attributes, physical benefits,*

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personality of the brand and our consumer. This is constantly viewed and has been communicated throughout the company - from the production manager to the canteen lady”,

- *“Two sections to this: Brand Identity, including brand truths, brand values, brand personality, and Brand Positioning, including target consumer, competitors, consumer insight, and unique selling point for brand”*

In sum, with regard to question 11, it can be said that of the unstructured responses provided there were only a minority which appear to incorporate the elements of a BCS and provide an understanding of the essence of a BCS, its role and purpose. Most respondents reported that their company had either fused some elements of a BCS (e.g brand values and brand identity) with more specific corporate aims in the form of a mission statement or that their company had no document which either resembled or fulfilled a role similar to that of a BCS.

The next question in the specific section of the survey, labelled ‘brand strategy’, was question 12. This question again is directly related to objective one and the findings and analysis for this question will now be conducted.

Question 12 was included in order to gather data on the degree of branding activity undertaken by the respondents and their companies. In addition, this question will provide insight into the most common strategic branding activities and those that companies have specifically undertaken in the last two years. The findings from this question can be seen below in Figure 5.28.

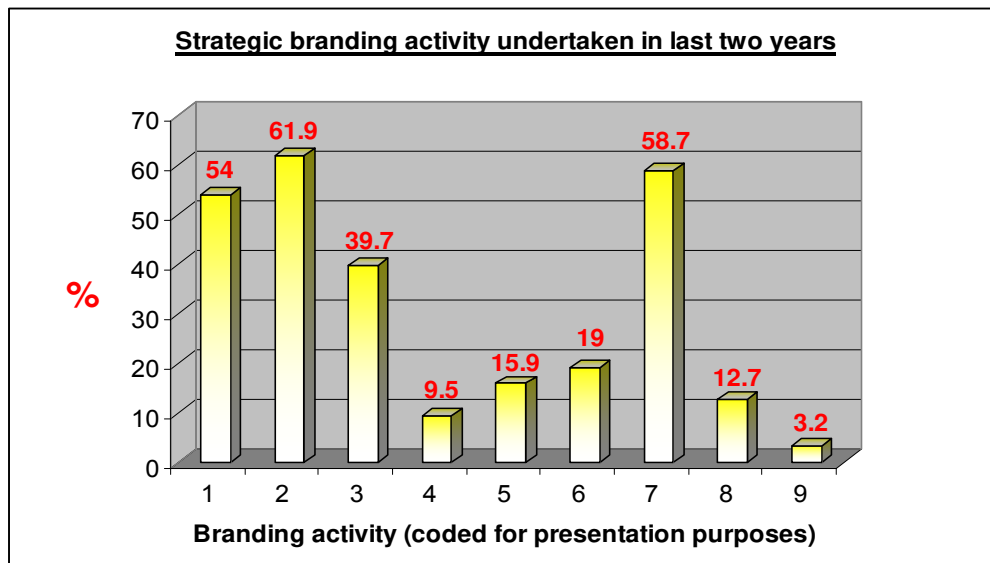
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Figure 5.28 Brand Activity

Group \$Q12 Brand Activities undertaken in last 2 yrs
(Value tabulated = 1)

<i>Dichotomy label</i>	<i>Name</i>	<i>Count</i>	<i>Pct of Cases</i>
1. <i>Line extension of a brand</i>	Q12a	34	54.0
2. <i>Range extension of a brand</i>	Q12b	39	61.9
3. <i>Created an 'umbrella' brand</i>	Q12c	25	39.7
4. <i>Brand Licensing</i>	Q12d	6	9.5
5. <i>Co-Branding</i>	Q12e	10	15.9
6. <i>Brand Acquisition</i>	Q12f	12	19.0
7. <i>Brand Positioning/Re-Positioning</i>	Q12g	37	58.7
8. <i>None of the above (N/A)</i>	Q12h	8	12.7
9. <i>Other</i>	Q12i	2	3.2
Total responses		count: 173	274.6

The data presented in Figure 5.28 shows the strategic branding activity undertaken by the companies sampled. The table clearly shows that the most common activity undertaken by companies sampled was range extensions of a brand. This was selected by 62 per cent of cases i.e. respondents. This was closely followed by brand positioning which received 59 per cent of selections and then line extensions of a brand with 54 percent selection rate. The findings are further illustrated in the bar chart Figure 5.29 shown below.



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From this it can be said that most companies are growing their brands using standard branding activities. Range branding and line extensions in tandem with brand positioning are central strategic activities for the development of any consumer brand (Aaker, 1996). Creating an umbrella brand was another strategic activity that scored highly; again this shows that there is no unexpected trend discovered in branding activity, most activity is relatively standard.

However, there were some companies that indicated no strategic brand activity whatsoever; this accounted for 12 per cent of respondent's answers. There were also some activities undertaken that were not listed, and these came under the category of 'other' which accounted for 3 per cent of answers. The most notable of these was, 'rebranding' which is a relatively new phenomenon in the brand arena. The respondent who stated this further noted that it was 'used as a strategy to enter new markets'.

Having covered the key questions within the survey that related to objective one, some further analysis will now be conducted by cross tabulating the responses from these questions with other key variables of the sample profile.

The analysis hitherto discussed has been centred upon the strategic aspect of developing Irish brands for growth and ultimately to achieve success on an International scale. The questions that related to this aspect of research objective one were those in section 3 of the survey entitled 'brand strategy'. In addition to this, research objective one also endeavours to examine attitudes towards the concept of building global brands and thus this section of the analysis will now relate to this specific aspect of research objective one. For the purposes of clarification, research objective one is stated again;

To identify key strategies for creating and developing global brand leadership in an Irish context and to examine attitudes towards the concept of a global brand.

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The questions relating to the latter part of research objective one are those in section 4 of the survey entitled ‘building global brands’. These questions relate to the development of brands at a global level and with regards to this objective, focus on respondents’ attitudes to the definition of a global brand. It must be noted here that several other questions in section four also focus on building global brands, but relate more specifically to objective three and four and are therefore analysed under these objectives later in this chapter.

The first question in this section was dichotomous in nature and was included for the purposes of gathering data on the amount of companies sampled that have brands that the respondents considered to be international or even global. The findings are displayed in the frequency chart xx. Those that have international or global brands accounted for 45 per cent whilst those that do not account for slightly more, 55 per cent. This could be due to the slightly higher proportion of SMEs sampled than larger companies. However, more analysis on this matter shows some interesting findings, shown in Figure 5.30

Figure 5.30

Does your company have any brands which YOU consider to be ‘International’ or even ‘Global’? * Company Size recoded twice Crosstabulation

% within Company Size recoded twice

		Company Size recoded twice		Total
		SME's <250	Large Companies >250	
Does your company have any brands which YOU consider to be ‘International’ or even ‘Global’?	yes	42%	50%	45%
	no	58%	50%	55%
Total		100%	100%	100%

Interestingly 42 per cent of SME’s have a brand which is international or global whereas only 50 per cent of the large companies have international brands.

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Further analysis (see Figure 5.51) shows that more than half of the companies that have a BCS also have an international or global brand. In addition, nearly 60 per cent of those that do *not* have a BCS also do not have an international or global brand.

Figure 5.31

Does your company have any brands which YOU consider to be 'International' or even 'Global'? * BCS Recoded Crosstabulation

% within BCS Recoded

		BCS Recoded		Total
		Yes	No	
Does your company have any brands which YOU consider to be 'International' or even 'Global'?	yes	52%	41%	45%
	no	48%	59%	55%
Total		100%	100%	100%

Of the companies that do have international brands, the majority have only one international brand.

The next question posed to respondents in the survey was focused on the perceived or real difference between an international and a global brand. This issue has been discussed at length in literature but can still be considered a 'grey' area as there are various contrasting opinions and perspectives.

Respondents were then asked to describe what they believed the difference to be between an International and a Global brand. This was an unstructured question, 15 responses were randomly selected and are shown in Figure 5.32

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Figure 5.32 Perceived Difference between International/Global

1. *"International means more than one country - global means most or all countries"*
2. *"Global each continent international between one or two nations"*
3. *"Global brands compete across all or most countries, international may be on a smaller scale in two or three countries"*
4. *"International brand operates outside the company's home market. Global brand is truly "international" and is as well known in second and third world economies like for e.g. Coke"*
5. *"An International brand may be in only one or two export markets a global brand should be ubiquitous"*
6. *"Global embraces all cultures"*
7. *"A global brand in one which has a clear global positioning that is the same in all countries. An International brand is one that operates in different countries, but doesn't have the same positioning"*
8. *"International = 1 country extra (could just be NI). Global = the developed world."*
9. *"Global implies widely recognised among all nationalities - international does not imply this to the same extent - e.g. everyone young, old, rich, poor is aware of coca-cola - not so for perhaps Nokia?"*
10. *"International is primarily between two nations and sometimes more, whereas global referring to branding means the majority of the developed world"*
11. *"Global has the strategy in all markets. An International brand name may be the same in various markets, but use different strategies"*
12. *"Scale"*
13. *"Multi-country versus global"*
14. *"International is Europe, and English speaking countries, global targets worldwide consumer markets"*
15. *"Global is worldwide, international can be just the home and one other country"*

The themes that were prevalent in respondent's answers to this question were generally focused on the geographic difference between an international brand and a global one. For example, of the 15 responses selected only numbers 7 and 11 contain any reference to the strategic marketing aspects of an international or global brands. It appears respondents think that the difference between the two is mostly a matter of geographic scale. This is further highlighted by responses such as, 'scale', 'global is worldwide, international can be just the home and one other country',

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'International is Europe, and English speaking countries, global targets worldwide consumer markets'.

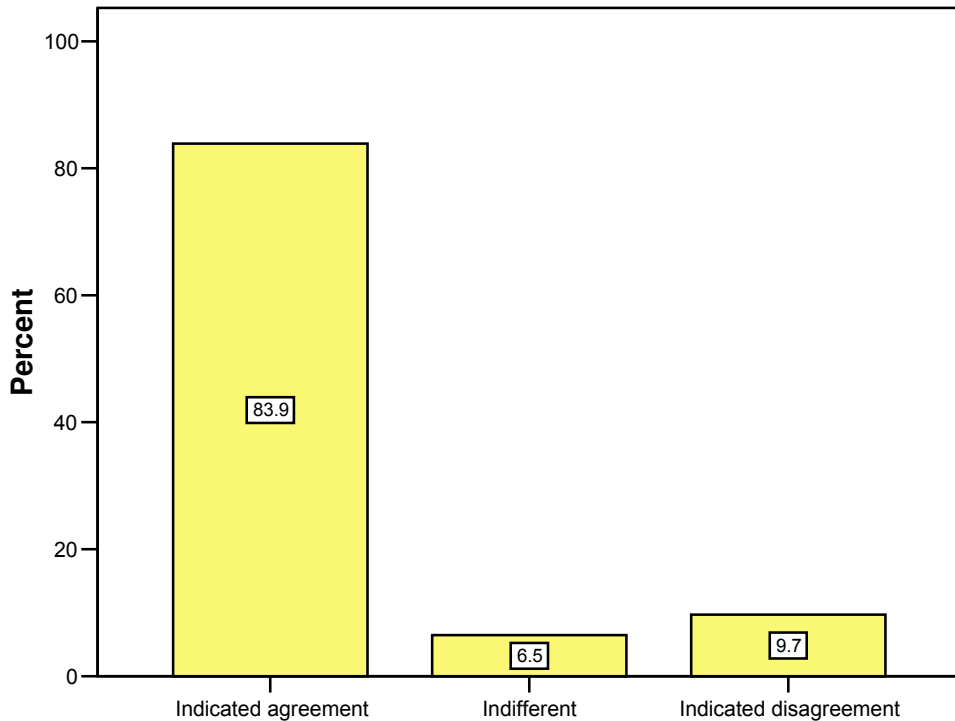
There were some responses however which did relate strongly to key areas of the literature regarding differentiating between international and global brands. As discussed in chapter two, there are many other factors other than the geographic element, to be considered when defining global brands. Issues such as, consistent positioning, balanced awareness in the majority of developed markets, and a tendency towards standardising marketing functions when possible and adapting to local tastes when necessary are all key areas to consider in any discussion regarding global brands. Responses, in the main, did not reflect any of these issues apart from an exemplary few. Responses numbered 7, 9 and 11 briefly touch on these issues, in particular response 7 which pays reference to the fact that there could be different positioning of the brand in different countries and response 11 which differentiates between a global brand strategy and international brand strategies.

Continuing this theme regarding respondent's attitudes towards the concept of a global brand, question 17 refers to the key factors which influence whether a brand can be considered global or not. The question is a likert scale which includes several statements relating to key themes in global brand literature. Results for the first statement are shown in Figure 5.33

A key theme regarding global brands which is prevalent within the literature relates to the awareness of a brand across countries. With reference to the authors own definition of a global brand discussed in chapter two, a global brand must have recognition in the developed markets of each continent worldwide. Results from the survey show that respondents in the main agree with this statement. 88 per cent of respondents indicated agreement and whilst there was a slightly higher percentage that disagreed with this statement than the last, this increase was minimal, at only 2 per cent. This is shown in Figure 5.33

Figure 5.33

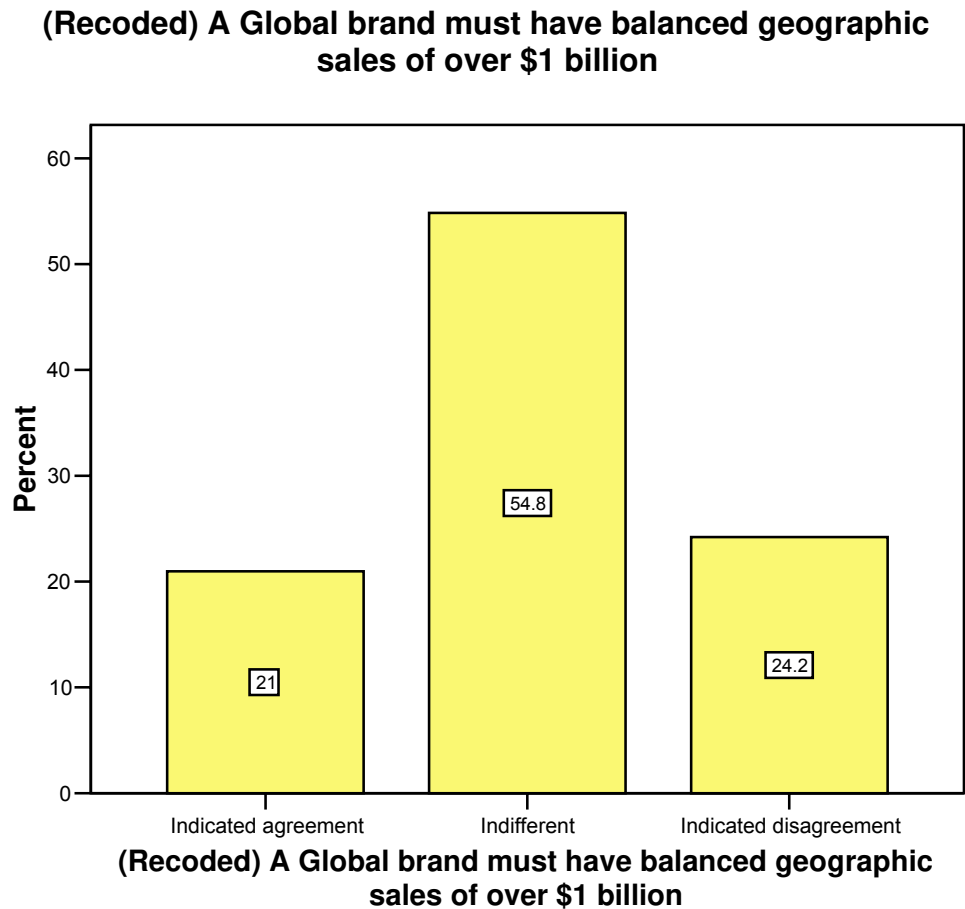
(Recoded) A Global brand must have brand recognition in the developed markets of EACH continent worldwide



(Recoded) A Global brand must have brand recognition in the developed markets of EACH continent worldwide

Again relating to a key factor in the author's definition of a global brand discussed in chapter two is the issue of balanced geographic sales. Holt et al (2004) note that a brand cannot be deemed global if it has brand awareness in Asia, but is unheard of in Europe. This theory also holds for the sales a brand generates, high sales volume in just one geographic region do not make a brand global. Furthermore, Interbrand (2003) state that a brand must have 'balanced geographic sales' and further add that these sales must reach over \$1 million and are a key criteria, in order to be qualify for their 'top 100 global brands' list compiled each year. Results for this statement are shown in Figure 5.34

Figure 5.34 A Global brand must have balanced geographic sales



Respondents were clearly unsure with regards to this statement, highlighted by the very high per cent that were indifferent and had no attitudinal disposition either in favour or against this issue. 55 per cent indicated indifference whilst 21 per cent agreed and 24 per cent disagreed. From this it can be stated that respondents do not feel strongly with regards to this particular aspect of the global brand concept.

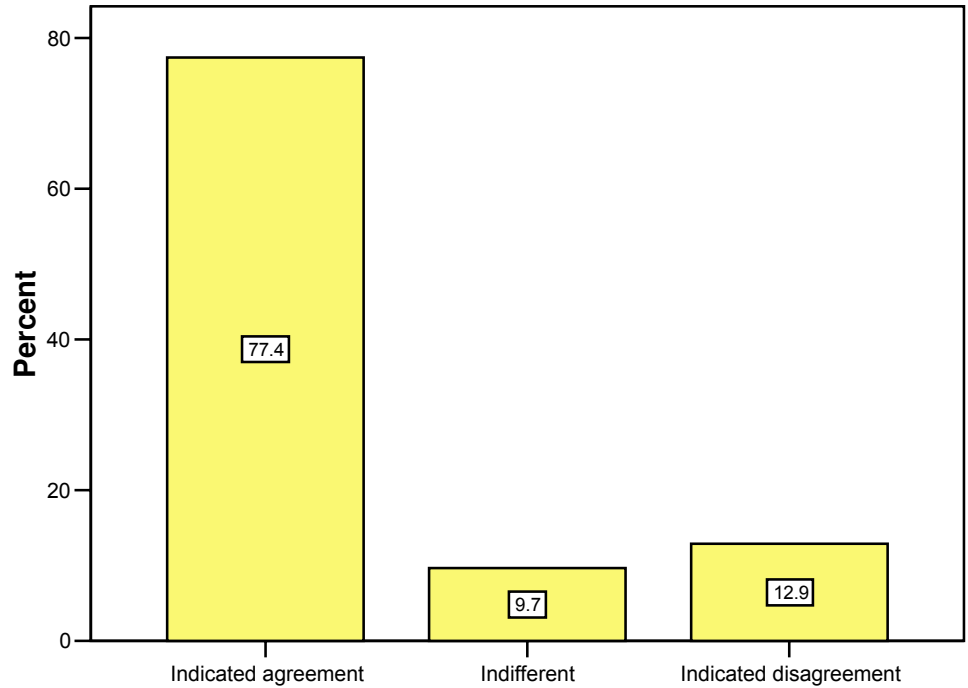
The next statement relates to the issue of product names in different countries, for instance where a product is exactly the same across countries, but what differs is the product name. Companies may have to change brand names according to different local tastes, regulations or culture. For example the Bulmers brand is called Magners outside of Ireland, due to regulations which prohibit the name Bulmers being used as

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the name is already trademarked by another company. The debate then arises as to whether brands like this are actually global. The perspective taken by many authors in the literature (as discussed in chapter two) is in fact no, they cannot be (Usunier and Lee, 2005). The reasoning behind this is that a brand's name communicates different meanings, thus by changing the name, the brand is also changed. A brand given one name in one market is therefore different to the same product given a different name in another market. Respondent's attitudes were sought regarding this issue. The findings are shown in Figure 5.35

Figure 5.35 Consistency in Global brand name

(Recoded) The Global brand name which is attached to the product MUST be the same in ALL countries in which the firm operates



(Recoded) The Global brand name which is attached to the product MUST be the same in ALL countries in which the firm operates

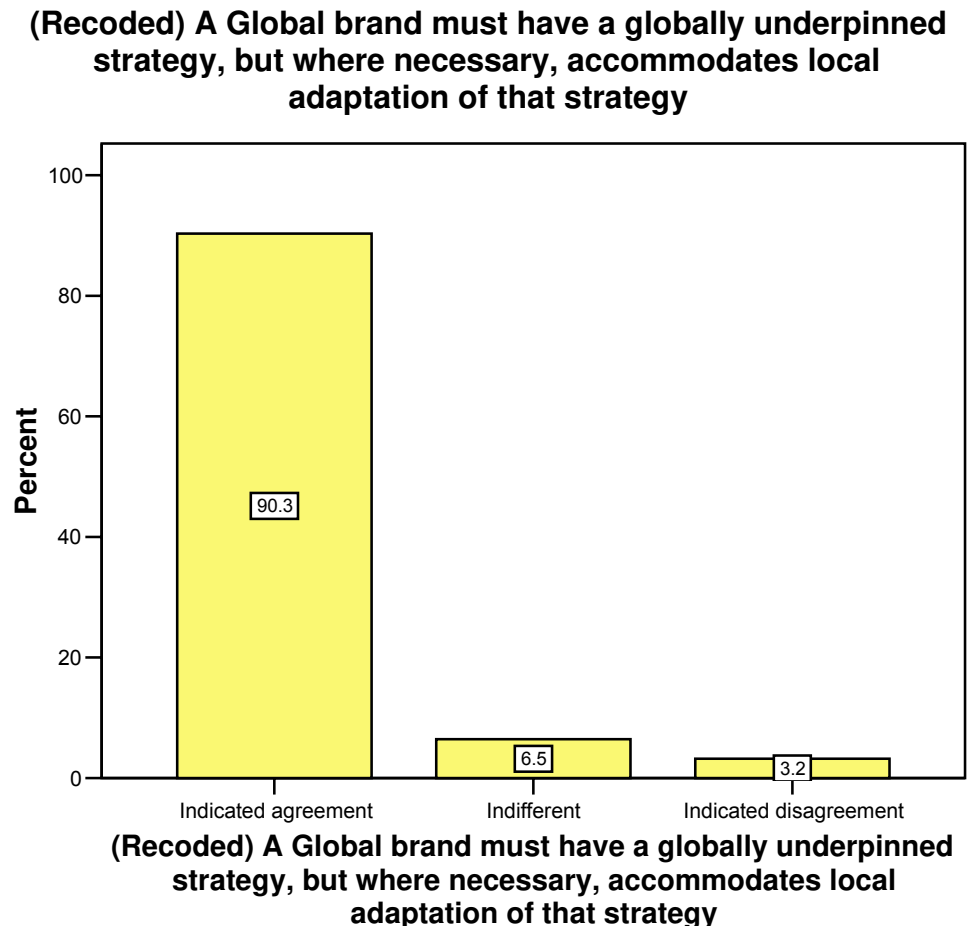
The findings concur with the literature, by showing that most respondents agree that the global brand name which is attached to the product must be the same in all

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countries in which the firm operates for it to be defined as a global brand. 77 per cent indicated agreement with the statement. There was a small percentage that disagreed, 13 per cent and this is the highest percentage that indicated disagreement in question 17 thus far.

The next statement relates to a critical aspect of global brand strategy, the standardisation versus adaptation debate. It is generally accepted in literature that a brand cannot adopt a totally standardised strategy across all markets; rather, local adaptation of that strategy must be accommodated where necessary. The chart in Figure 5.36 shows that this is fully supported by respondents in practice as only a very small percentage, 3 per cent disagreed with the statement and 90 per cent indicated agreement.

Figure 5.36 Localisation of Global brand



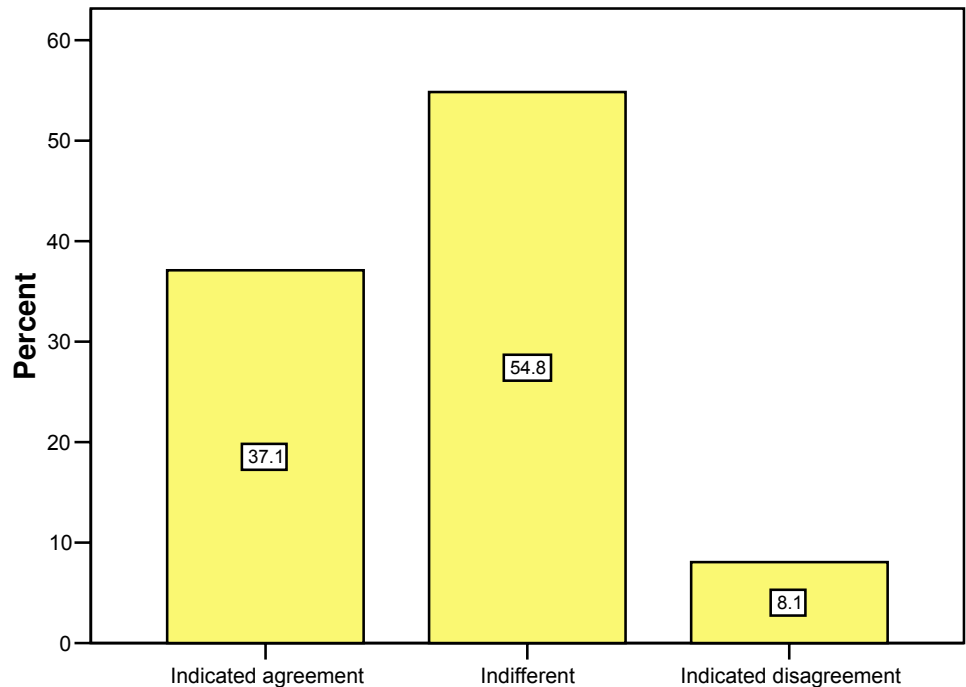
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Again, it can be noted here that there is a high percentage that agreed with this statement lending further support to the need for a variety of factors to be considered when defining a global brand.

Continuing this theme of standardisation versus adaptation of operations, respondent's attitudes towards a specific ratio of balance between the two were sought. According to the Interbrand criteria for classification of a global brand there is a generally accepted ratio of 70 percent standardisation of operation, and 30 percent local adaptation (<http://www.interbrand.com>).

Figure 5.37

(Recoded) A Global brand strategy must AT A MINIMUM adhere to a 70/30 ratio of standardization of operations, VS adaptation of operations to local tastes



(Recoded) A Global brand strategy must AT A MINIMUM adhere to a 70/30 ratio of standardization of operations, VS adaptation of operations to local tastes

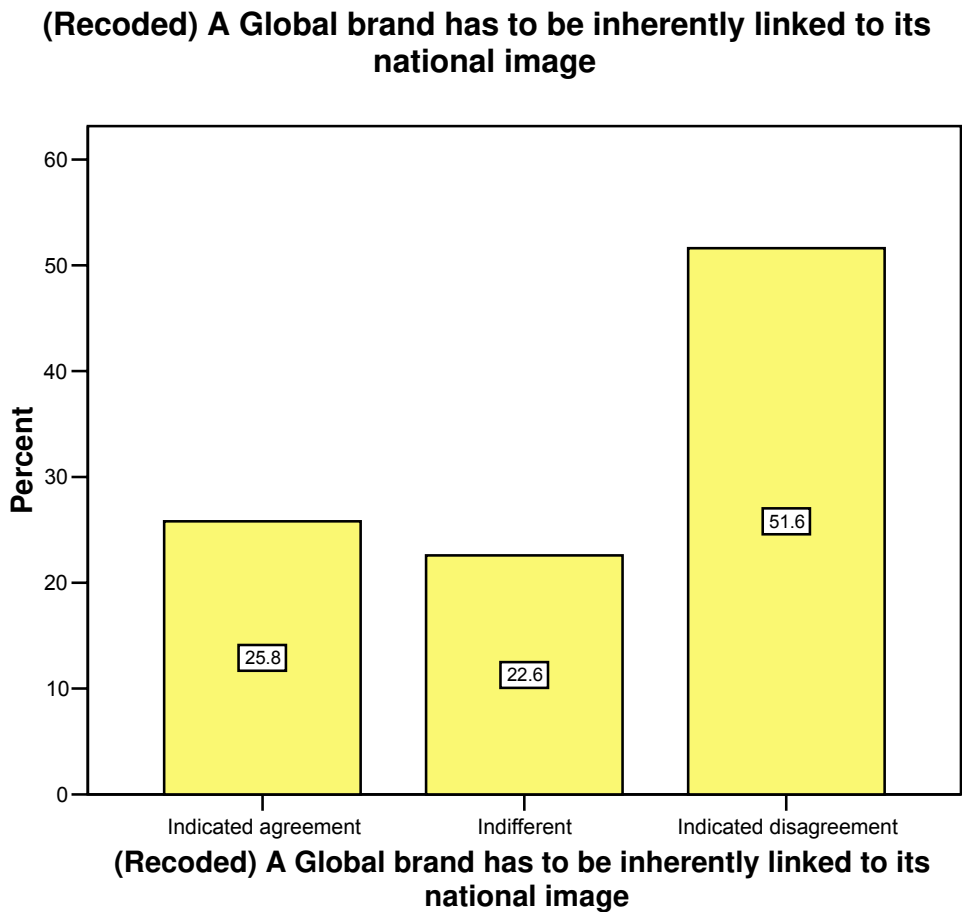
It is clear that respondents are unsure with regards to this issue. 55 per cent, over half of the sample, neither agreed, nor disagreed with this statement. Of those that

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did have a disposition towards the statement, 37 per cent indicated agreement, and only a very small percentage disagreed.

The final statement relates to a theme which has been discussed by many authors within the brand literature, that of the country of origin effect or COO effect. This theme is prevalent within the branding literature and has been noted as a critical factor in any international branding decision (Quelch, 1999; Upshaw and Taylor, 2001). Respondent's attitudes were sought on whether they felt a global brand had to be inherently linked to its national image. The findings are displayed in Figure 5.38.

Figure 5.38



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The findings show that respondents clearly think that a global brand does not have to be inherently linked to its national image. For example, an American brand can enjoy global success without basing its positioning strategy solely on American values, lifestyle or culture. 52 per cent indicated disagreement with the statement and although this was over half the sample, 26 per cent indicated agreement, showing that there was *some* support for linking global success with a brand's national image.

To summarise the findings from this section of the survey it can be said that even though respondents agreed with all statements bar a couple, none of them, in the main mentioned any of these aspects when they were asked to describe what they felt to be the difference between a global and international brand. Furthermore, respondents – as practitioners, generally support the factors mentioned in the statements as key factors when defining global brands. In addition this shows general support for much of the existing theory regarding global brands and develops the theory relating to a clear definition of the term global brand.

5.7 Analysis of Research Objective Two

The analysis will now move onto the data relevant to research objective two which is;

To determine the key success factors in brand development

In order to satisfy this objective in full, it must be iterated again that both phases of the methodology will be relevant. Therefore, the data gathered from the phase one survey will serve to provide some primary insight into the issues regarding the objective and this will be developed further using the data from phase two interviews.

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This particular research objective looks to determine the key success factors in brand development therefore, section one of the survey was entitled ‘the brand concept’ and the majority of questions in this section relate to theories regarding ‘key branding success factors’ and other findings from the brand literature. There are also other questions throughout the survey which relate to objective two particularly with regard to successful brand development internationally.

Many authors have advocated that, in order for a brand to be successful, all involved with the brand need to have the same positive attitude towards building a strong brand (Aaker, 1996; de Chernatony, 2001; Doyle 2002). Therefore, two questions were specifically included in the survey directly relating to this key success factor. Question three asked respondents how important building a strong brand is to their company. Question four then asked respondents the same question again but this time asking how important building a strong brand was to them *personally*. By doing this any disparity could be seen between the respondent’s attitude towards building a strong brand, and the overall company attitude towards brand building. The findings from question three and four are illustrated in Figures 5.39 and 5.40 below

Figure 5.39

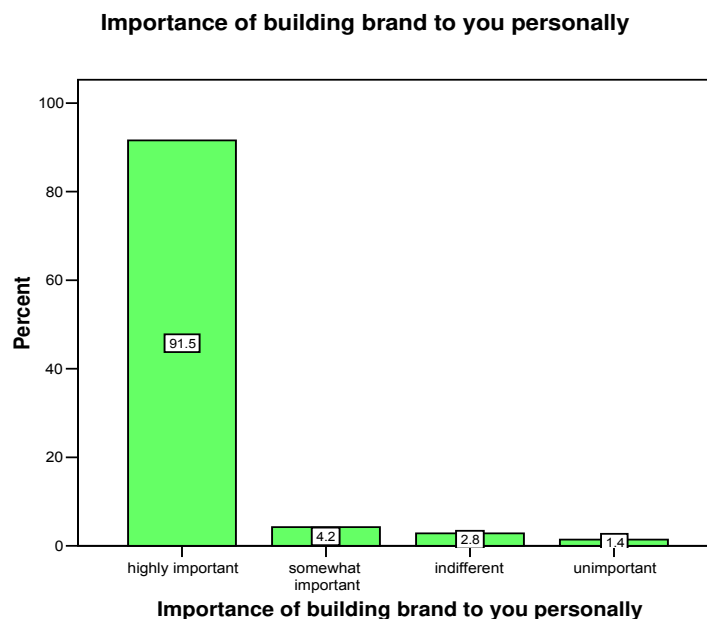
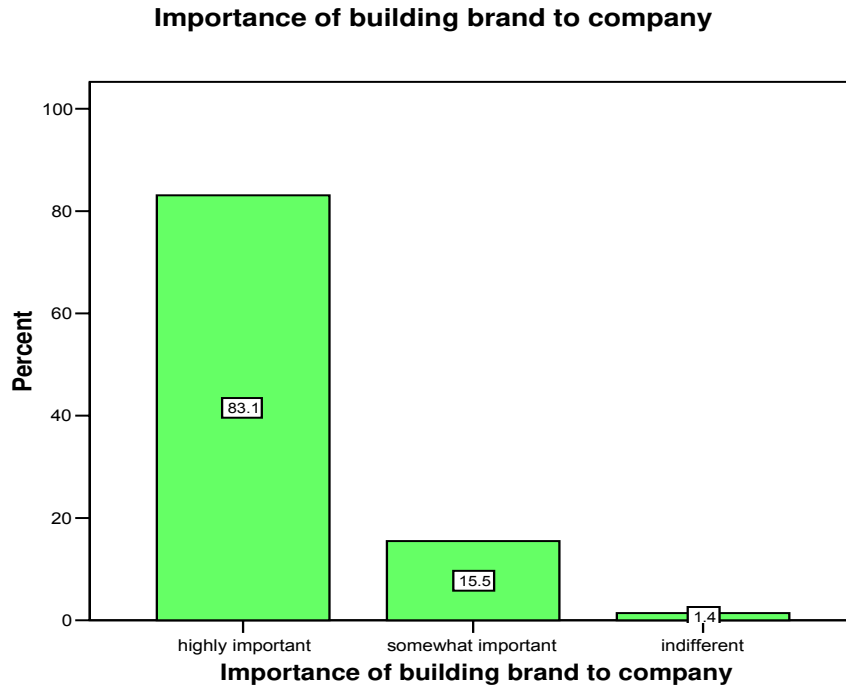


Figure 5.40



The results for questions three and four show the majority of respondents feel both personally and from the point of view of their company, that building a strong brand is highly important. In addition, not one respondent indicated that building a strong brand was unimportant to their company, yet 15 per cent noted that it was only ‘somewhat important’. In addition 83 per cent felt that building strong brands was highly important to their company. This is slightly different when respondents were asked how they felt personally regarding building strong brands. Interestingly, more respondents felt building a strong brand was more important to them personally than it was to their company. 91 per cent of the sample chose this option. 4 per cent of the sample indicated that building a strong brand was ‘somewhat important’ and 2.8 per cent were indifferent.

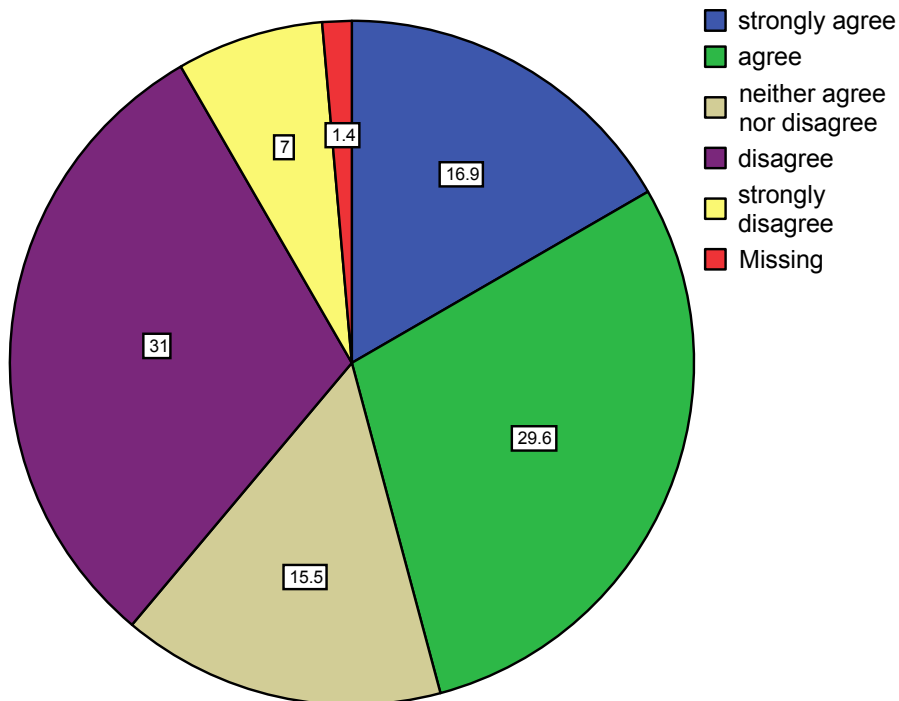
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A key question that relates specifically to objective two was question number 6. This question consisted of ten key statements that refer directly to current academic thinking with regards to brand building. These statements were included in the survey in order to gain insight from practitioners' perspectives regarding the key themes in brand literature, all within the greater context of identifying key success factors for brand development.

The first statement relates to global brand development and a critical theme throughout the literature which is often stated as a key branding success factor (Holt et al, 2004). The statement relates to the fact that most global brands are corporate brands which also act as the product brand names. Respondent's attitudes towards incorporating a product brand into the corporate brand were sought in question 6a. The findings are illustrated in the pie chart Figure 5.41 below.

Figure 5.41

For a brand to be truly global, the product brand name MUST be the same as the Corporate brand name, i.e Coca-Cola, Samsung, IBM, Nokia



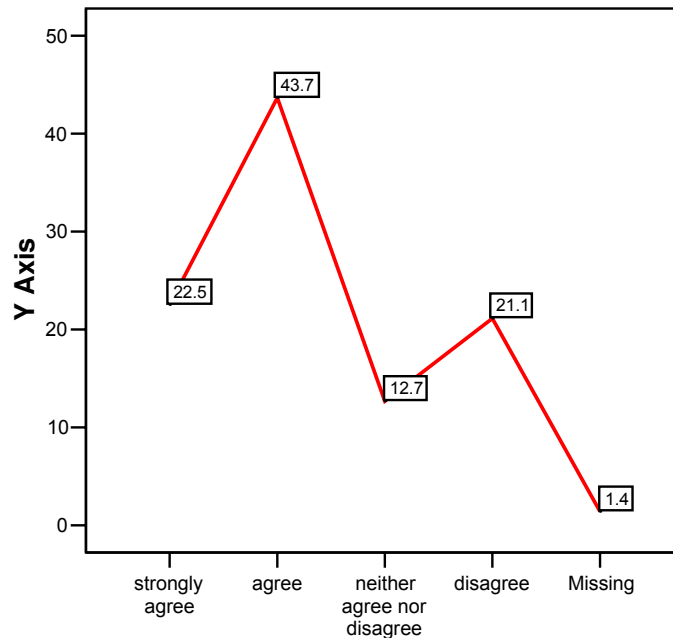
Analysis and Findings

Interestingly more respondents disagreed than agreed with this statement. 31 per cent disagreed and 29 per cent agreed. However, this difference is negligible because when the percentages for those that indicated ‘strongly agree’ or ‘strongly disagree’ are included, overall more respondents indicated agreement with the statement, 46.5 per cent than those that indicated disagreement, 38 per cent. In sum, it can be said that the attitudes to this statement are neither positively nor negatively skewed but rather even. This is further highlighted by the percentage of respondents that indicated indifference 15.5 per cent

The second statement in question six related to a key theme throughout branding literature and one which many authors have discussed; the importance of employees in delivering a quality brand. Respondents attitudes towards this theme were sought in question 6a and the findings are illustrated below in Figure 5.42.

Figure 5.42

A company's employees are the embodiment of a brand and can be considered the MOST important factor in delivering quality



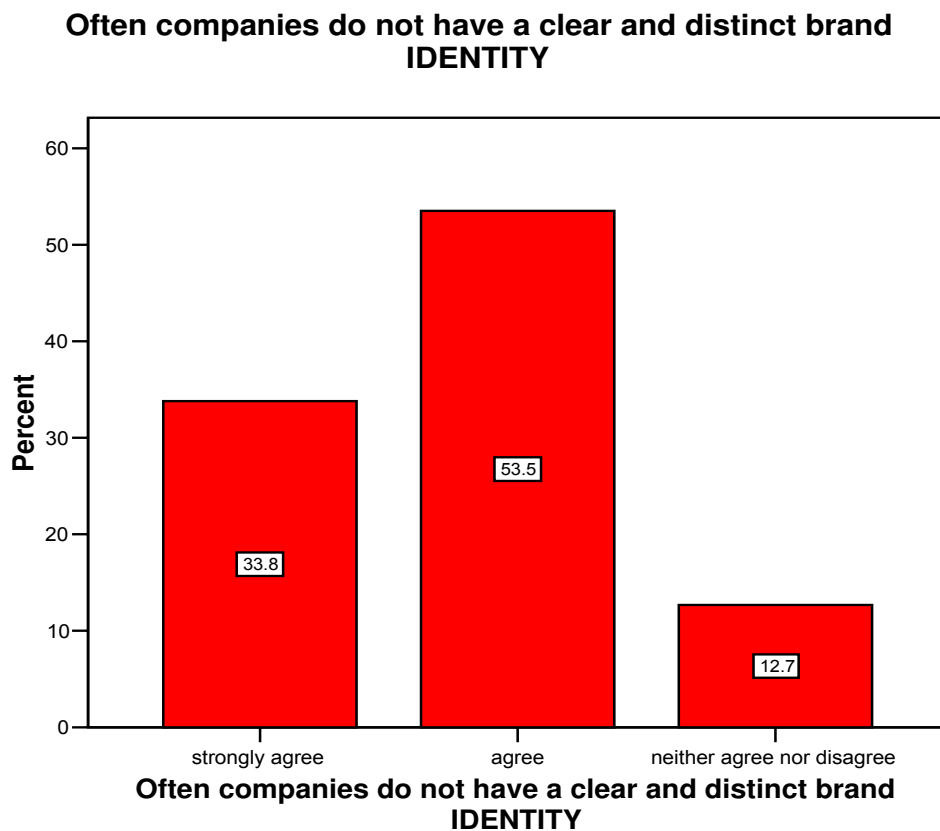
A company's employees are the embodiment of a brand and can be considered the MOST important factor in delivering quality

Analysis and Findings

This shows that most respondents agree that a company's employees are the most important factor in brand building indicated by 43.7 per cent of the sample. A further 22.5 per cent strongly agreed with this statement. There was a notable contingent of the sample, 21 per cent, that disagreed with this statement which is an interesting finding.

Question 6c focused on an area of literature heavily discussed by Aaker (1996; 2000) which is, the need for companies to ensure they have a clear and distinct brand identity. Respondents' attitudes towards this statement are displayed in Figure 5.43

Figure 5.43



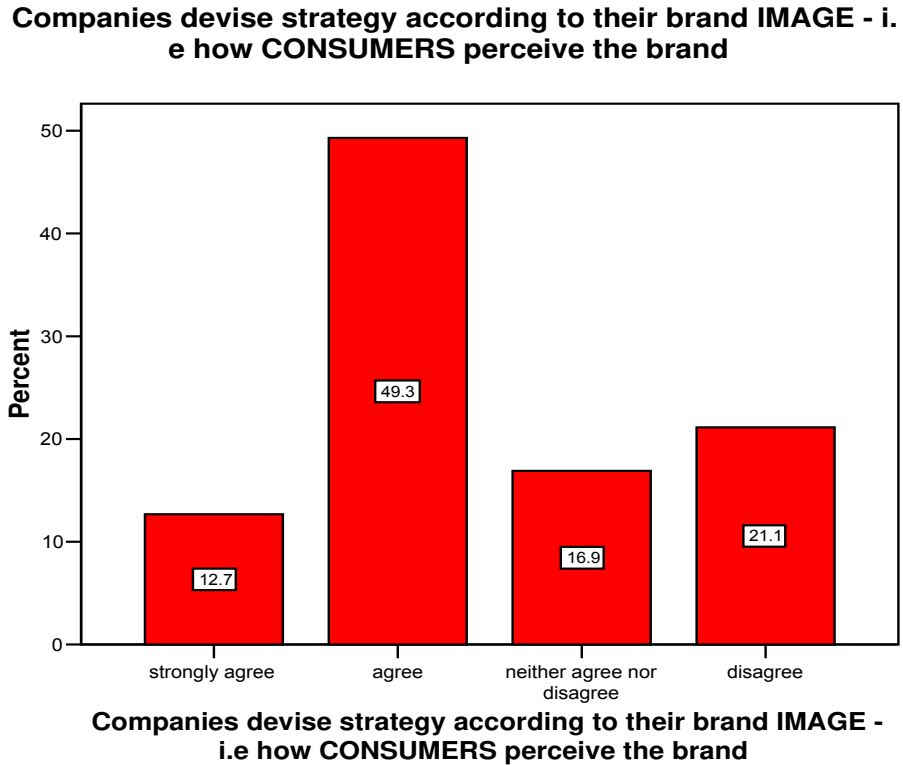
The results from this question show that this is an area within the literature which practitioners agree with as 53.5 per cent agreed with the statement. A further 33.8 per cent strongly agreed with the statement and notably not one respondent

Analysis and Findings

disagreed, yet there were some that indicated indifference 12.7 per cent. Nevertheless, the key finding from this question is that the B to C practitioners agree with this statement further underlining the importance of having a clear and distinct brand identity.

Moving on from the identity theme in literature; Aaker (1996) in tandem with other key authors (Kapferer, 2002; De Chernatony 2001) note another pitfall that companies tend to come across in their brand management. Often companies tend to devise strategy according to their brand’s image i.e. how consumers perceive their brand and not according to their own brand identity (Aaker, 1996; Kapferer, 2002; De Chernatony 2001). This, according to the authors hitherto mentioned, is a common problem for many companies and moreover many do not know that they are doing it. Figure 5.44 displays the respondent’s attitudes towards this issue.

Figure 5.44



It appears that this trend in modern brand management is widely recognised by

Analysis and Findings

practitioners as 12.7 per cent strongly agreed with the statement and a further 49.3 per cent agreed with the statement. There were some respondents that indicated disagreement, 21 per cent which indicates that there is a belief by some respondents that devising strategy according to brand image is *not* the norm. However, it does seem from the results shown in Figure 5.66 that this ‘pitfall’ is a notable practice amongst many b to c brands.

Questions 6d, e and f were focused on the undeniable fact that brand building does require long term investment in strategy, planning and operations. This statement was included in light of the constant paradox brand managers face between the need for long term investment in branding strategy for sustained growth and the requirement to produce short term results by many key stakeholders, notably top management and shareholders (Aaker, 1996). There were three statements in question six relating to this issue, the findings from these three statements represented in questions 6d, e and f are illustrated in Figures 5.45, 46 and 5.47.

Figure 5.45

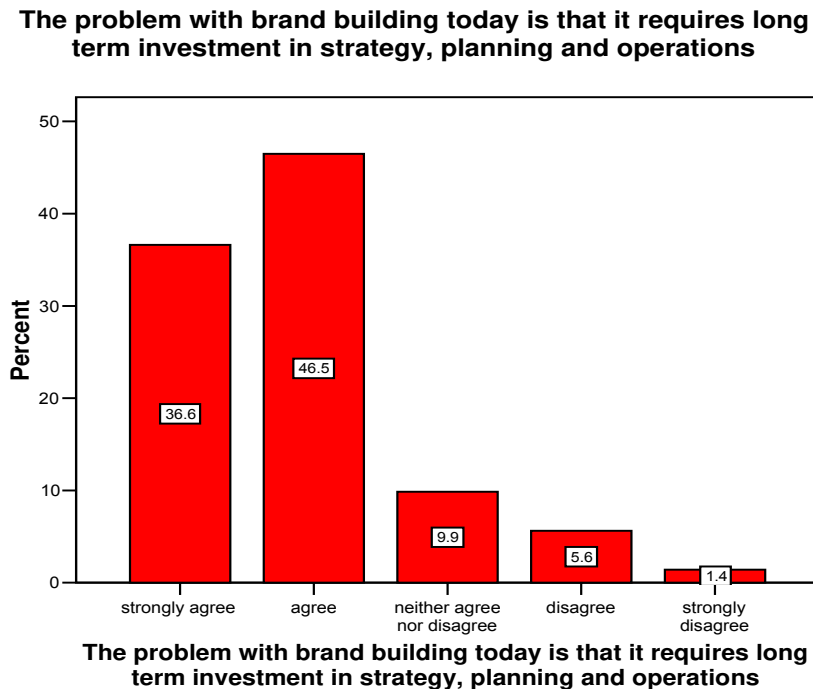


Figure 5.46

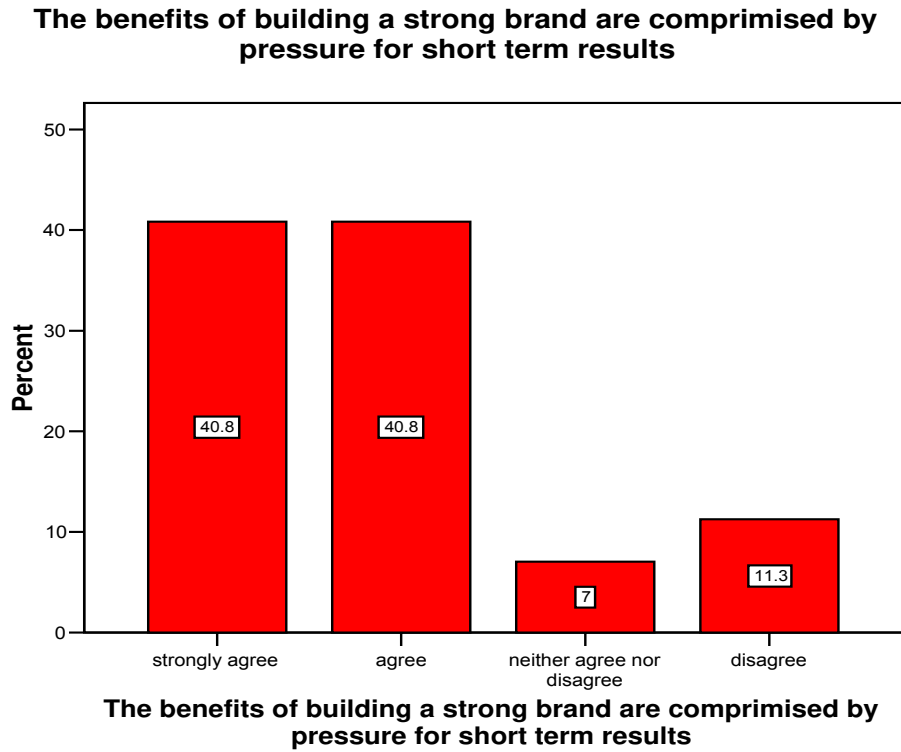
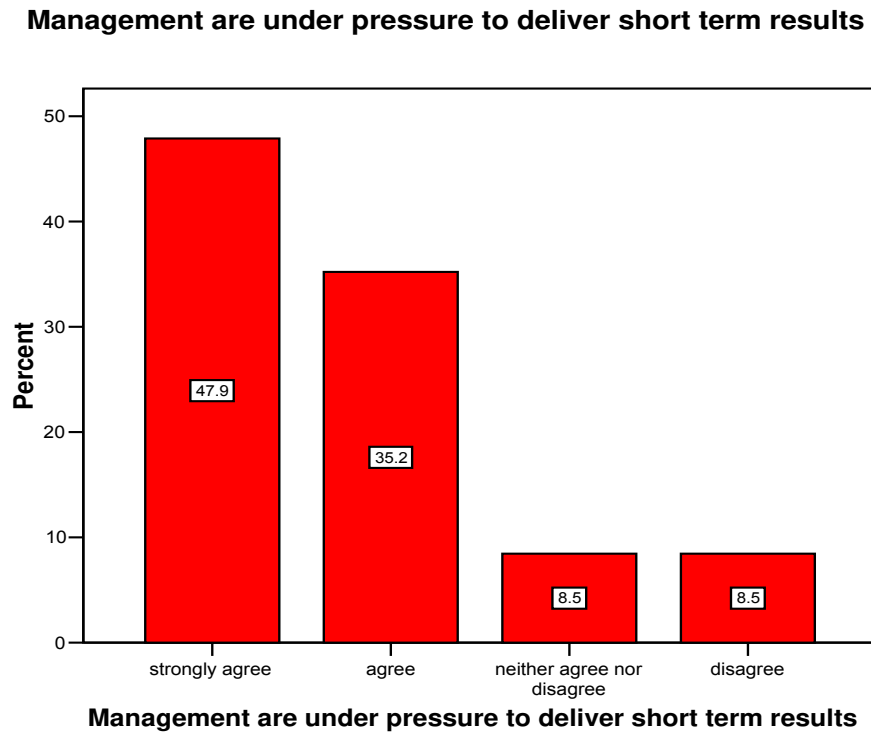


Figure 5.47



Analysis and Findings

Firstly, with regard to the first statement in 6e, respondents showed a high level of agreement. Only a small minority indicated either indifference or disagreement with this statement.

Statement 6e, also showed a high level of agreement from respondents. 81.6 per cent of the sample that indicated overall agreement with this statement. This finding shows the difficulty in actually building a strong brand and the belief from practitioners that brand building is indeed a long term activity but given the nature of consumer industries, requires short term results.

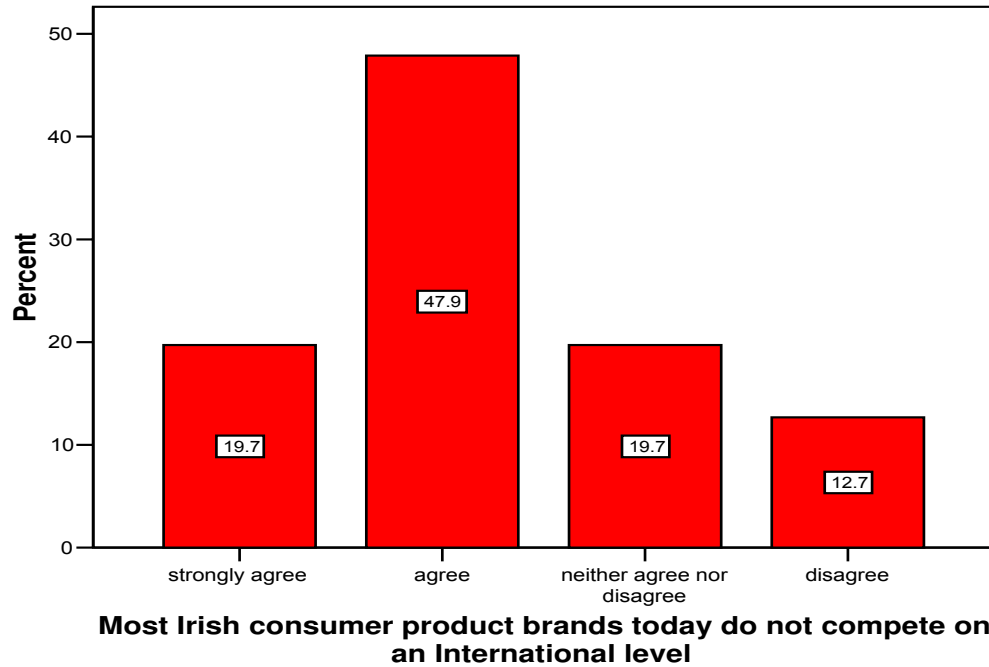
Question 6f was the final statement dealing with this particular short term pressures vs long term benefits branding theme. The chart shows that respondents have strong attitudinal disposition towards this statement. 48 per cent indicated that they strongly agree that management are under pressure to deliver short term results. This was the highest percentage that selected 'strongly agree' for any statement in question six clearly showing that for managers of Irish owned b to c brands the pressure to produce short term result is a significant characteristic of a brand management role.

Questions 6g, h and I focused on a key theme throughout the literature and directly relevant to an Irish context. The first statement relates specifically to the notable lack of Irish owned consumer brands operating internationally and globally today. Lambkin (1994) highlighted this issue over a decade ago and still there appears to be a lack of international growth of Irish brands in recent years.

Statement 6g looked to assess respondents' attitudes towards Irish brand development and whether they felt that there was a notable lack of Irish consumer brands competing in international markets today. The findings for question 6g can be seen in Figure 5.48 and they show that respondents agree with the statement and feel that this is indeed the case.

Figure 5.48

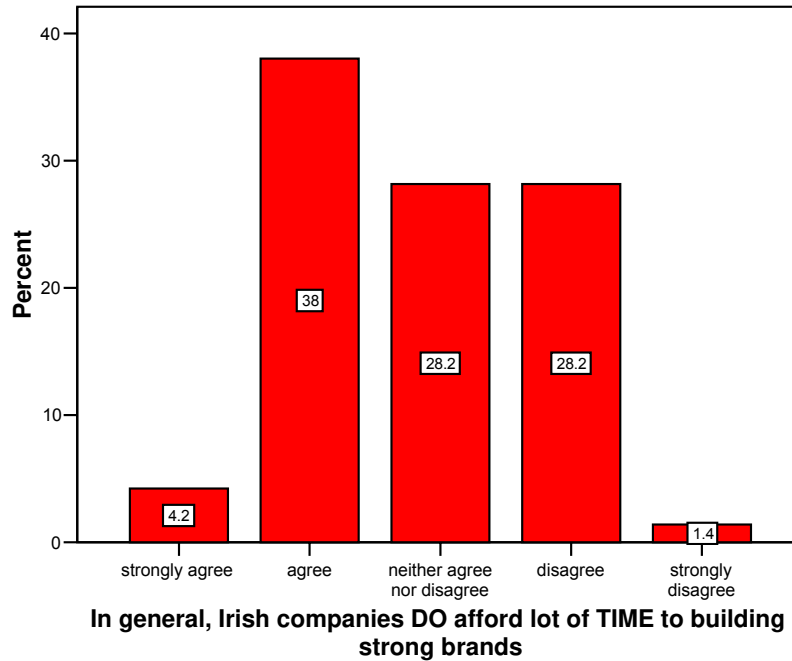
Most Irish consumer product brands today do not compete on an International level



The next statement for this topic focused on the level of investment Irish companies afford for brand development and respondents attitudes towards this level of investment. Two general categories were included, 'time' and 'resources' which are critical themes regarding brand development throughout the literature. The statement was posed positively, rather than negatively e.g. 'Irish brands *DO* afford a lot of.....

The findings for the first statement are illustrated in Figure 5.49

In general, Irish companies DO afford lot of TIME to building strong brands



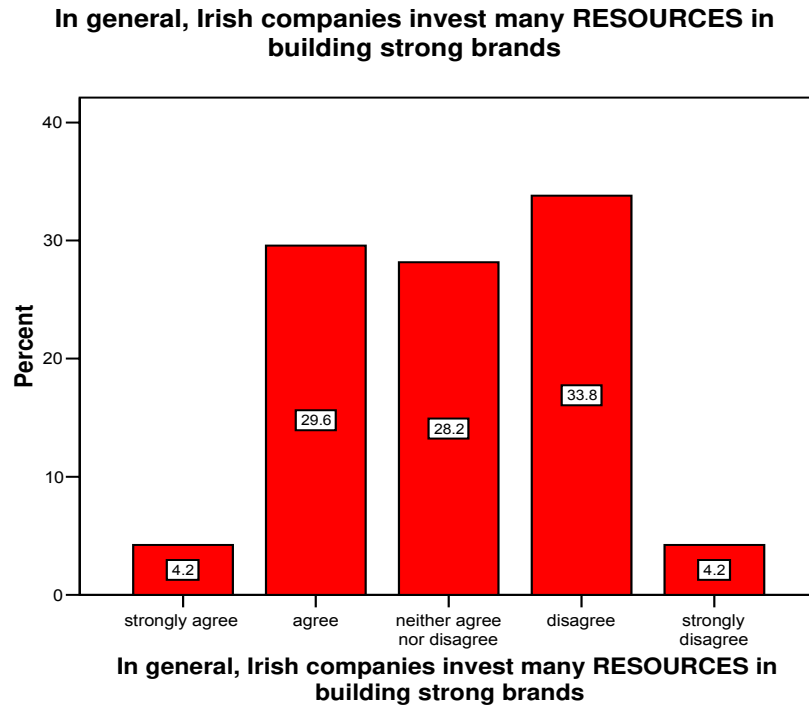
The chart shows some interesting findings. There was a high percentage of respondents that did *not* agree with the statement and thus feel that not enough time is being invested by Irish owned companies on their brand building. This finding correlates with the high percentage of respondents, 91 per cent, that personally feel that branding is of very high importance; which was shown earlier in the chapter in the analysis relating to Question 4.

Question 6I focused on the level of investment in resources for brand building by Irish companies. The term ‘resources’ was chosen as this includes both physical and human resources again, reinforcing the general context of the topic, rather than focusing on specific elements. The statement was written in a positive manner, ‘in general Irish companies *DO* invest many resources.’ The findings can be seen in Figure 5.50

Analysis and Findings

The chart shows again a mixed response from the sample. Many are unsure whether Irish companies do invest many resources in building strong brands and moreover, 33.8 per cent thought that Irish companies do not invest many resources in their brands. More respondents felt negatively towards the statement than those that agreed with it. The overall response was that more respondents disagreed with the statement than agreed, thus lending support to the argument that there is a lack of emphasis placed on building strong Irish b to c brands across sectors at present; a point which was stressed heavily, in the enterprise strategy group report on the Irish economy as of 2004 which was discussed previously in chapter three.

Figure 5.50



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5.7.1 Further Analysis Relating to Objective Two Using Cross Tabulations of Variables

Cross tabulating some of the findings hitherto discussed with regard to objective two produces some further insightful analysis and interesting findings. The following tables are specifically related to objective two with a focus on the key success factors or KSF's for building strong brands discussed within the literature. With regard to 'focus on employees' as a KSF for a brand, most marketing managers feel this is true, more so than brand managers. Note that most brand managers are from large companies thus emphasizing company size as a catalyst for difference in opinion regarding this particular key success factor. This can be seen in Figure 5.51.

Figure 5.51

A company's employees are the embodiment of a brand and can be considered the MOST important delivering quality * Title of person who manages brand Crosstabulation

% within Title of person who manages brand

		Title of person who manages brand						Total
		CEO/MD	Marketing Manager	Brand Manager	Sales Manager	Product Manager	Not Specifically Assigned	
(Recoded) A company's employees are the embodiment of a brand and can be considered the MOST important factor in delivering quality	Indicated agreement	73%	73%	61%	100%	50%	50%	68%
	Indifferent		15%	9%				10%
	Indicated disagreement	29%	12%	30%		50%	50%	22%
Total		100%	100%	100%	100%	100%	100%	100%

Figure 5.52

Recoded) A company's employees are the embodiment of a brand and can be considered the MOST important factor in delivering quality * Company Size Recoded Crosstabulation

% within Company Size Recoded

		Company Size Recoded				Total
		Micro Sized Company	Small Company	Medium Sized Company	Large Company	
(Recoded) A company's employees are the embodiment of a brand and can be considered the MOST important factor in delivering quality	Indicated agreement	50%	63%	58%	75%	65%
	Indifferent	33%	13%	17%		11%
	Indicated disagreement	17%	25%	25%	25%	24%
Total		100%	100%	100%	100%	100%

Figure 5.52 shows that respondents from large companies agreed more than respondents from SMEs, that employees as KSF for the brand, are the most important factor in building strong brands. This could show that as companies grow in size and thus attract more employees, more importance is placed on retaining and motivating those employees as ultimately they are the ones that have a direct influence on the brand.

Figure 5.53 Cross tabulation – Brand identity and Company Size

(Recoded) Often companies do not have a clear and distinct brand IDENTITY * Company Size recoded twice Crosstabulation

% within Company Size recoded twice

		Company Size recoded twice		Total
		SME's <250	Large Companies >250	
(Recoded) Often companies do not have a clear and distinct brand IDENTITY	Indicated agreement	89%	96%	92%
	Indifferent	11%	4%	8%
Total		100%	100%	100%

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Both SMEs and large companies represented in the sample agree that brand identity is a KSF and identity is *not* clear and distinct in many companies. Again, respondents from large companies showed support for this statement more so than SMEs possibly due to the greater scale of operations by large companies and thus the greater negative effect that failing to excel at this KSF can hold for larger companies.

Regarding ‘corporate brand as product brand’ as a KSF for global branding, Figure 5.53 shows that on the whole, respondents agreed with this statement but not strongly. There was a high proportion that believed this not to be a KSF for global brand development despite its importance being noted in literature by key authors such as Holt et al (2004). However of those that did agree; most were from large companies rather than SMEs. Being from a larger company may influence attitudes towards this KSF due to the greater degree of international operations that large companies would have over SMEs

Figure 5.54

Recoded) For a brand to be truly global, the product brand name MUST be the same as the Corporate brand name, i.e Coca-Cola, Samsung, IBM, Nokia * Company Size recoded twice Crosstabulation

% within Company Size recoded twice

		Company Size recoded twice		Total
		SME's <250	Large Companies >250	
(Recoded) For a brand to be truly global, the product brand name MUST be the same as the Corporate brand name, i.e Coca-Cola, Samsung, IBM, Nokia	Indicated agreement	<i>45%</i>	<i>54%</i>	<i>48%</i>
	Indifferent	<i>18%</i>	<i>8%</i>	<i>15%</i>
	Indicated disagreement	<i>37%</i>	<i>38%</i>	<i>37%</i>
Total		<i>100%</i>	<i>100%</i>	<i>100%</i>

Figure 5.55

Companies devise strategy according to their brand IMAGE - i.e how CONSUMERS perceive the brand of person who manages brand Crosstabulation

% within Title of person who manages brand

		Title of person who manages brand						Total
		CEO/MD	Marketing Manager	Brand Manager	Sales Manager	Product Manager	Not Specifically Assigned	
(Recorded) Companies devise strategy according to their brand IMAGE how CONSUMERS perceive the brand	Indicated agreement	71%	64%	52%	100%	100%	100%	63%
	Indifferent	14%	15%	17%				15%
	Indicated disagreement	14%	21%	30%				22%
Total		100%	100%	100%	100%	100%	100%	100%

Again, support for this statement is shown mostly by CEOs/MDs and decreases amongst marketing managers and again amongst brand managers. Brand managers show the most disagreement with the statement. That is, 30 per cent do not believe that companies devise strategy according to their brand image. This is seen as an error in brand strategic management by many authors in the literature and thus a key branding success factor would be to avoid doing this. As we have seen from previous analysis however, respondents do agree that this is a common occurrence as roughly two thirds of the sample agreed with the statement overall.

Amongst various sized companies with alternate degrees of brand operations, the results show some slight differences.

Figure 5.56 Cross tabulation – (Recoded) Brand Image / Company size

Recoded) Companies devise strategy according to their brand IMAGE - i.e how CONSUMERS perceive the brand * Company Size recoded twice Crosstabulation

% within Company Size recoded twice

		Company Size recoded twice		Total
		SME's <250	Large Companies >250	
(Recoded) Companies devise strategy according to their brand IMAGE - i.e how CONSUMERS perceive the brand	Indicated agreement	61%	71%	65%
	Indifferent	13%	17%	15%
	Indicated disagreement	26%	13%	21%
Total		100%	100%	100%

Managers from smaller companies show a relatively high level of disagreement with the statement compared to those from larger companies. They therefore do not feel that this common pitfall in brand strategy is highly prevalent in practice. Whereas there is a greater percentage of managers from larger companies that think the opposite; that devising strategy according to how the brand is perceived is common practice and is therefore an error committed by many brands.

Further analysis reveals a noticeable anomaly within the data, which is that those who are in their position for only a short period differ in attitude than those who have been in their job for any longer period. Half of those that have been in their position for a short period do *not* feel that company strategy is devised according to brand image. Further cross tabulation reveals that *all* of the respondents who were in their position for the shortest period of time and disagreed with the statement were actually from SMEs, which is shown in Figure 5.57. Furthermore, this group make up 77 per cent of all those that disagreed with the statement.

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Figure 5.57 Cross tabulation – Brand Image /How consumers perceive the brand / Duration of position held

(Recoded) Companies devise strategy according to their brand IMAGE - i.e how CONSUMERS perceive the brand * Duration of position held recoded Crosstabulation

% within Duration of position held recoded

		Duration of position held recoded				Total
		Short Period (1 to 6mths)	Medium Period (6mths-2yrs)	Long Period (3-8yrs)	Extensive Period (9yrs +)	
(Recoded) Companies devise strategy according to their brand IMAGE - i.e how CONSUMERS perceive the brand	Indicated agreement	38%	77%	63%	63%	65%
	Indifferent	13%	14%	8%	38%	15%
	Indicated disagreement	50%	9%	29%		21%
Total		100%	100%	100%	100%	100%

Figure 5.58 Cross tabulation – Brand Image / Duration of position held / company size (recoded)

Company Size recoded twice * Duration of position held recoded * (Recoded) Companies devise strategy according to their brand IMAGE - i.e how CONSUMERS perceive the brand Crosstabulation

% within Duration of position held recoded

				Duration of position held recoded				Total
				Short Period (1 to 6mths)	Medium Period (6mths-2yrs)	Long Period (3-8yrs)	Extensive Period (9yrs +)	
(Recoded) Companies devise strategy according to their brand IMAGE - i.e how CONSUMERS perceive the brand	Indicated agreement	Company Size recoded twice	SME's <250	67%	47%	53%	100%	58%
			Large Companies >25	33%	53%	47%		43%
		Total	100%	100%	100%	100%	100%	
	Indifferent	Company Size recoded twice	SME's <250	100%	100%		33%	56%
			Large Companies >25			100%	67%	44%
		Total	100%	100%	100%	100%	100%	
	Indicated disagreement	Company Size recoded twice	SME's <250	100%	100%	57%		77%
			Large Companies >25			43%		23%
		Total	100%	100%	100%		100%	

Noted throughout the literature, long term investment is needed to truly build strong brands. This is a key success factor but is one which is difficult to accomplish given

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the pressure for short term results (Aaker 1996). With regards to this key success factor, both SMEs and large companies agreed quite substantially that this poses a problem for management. Therefore this is a key success factor but the view with regards to its problematic implementation is widely shared by practitioners.

Furthermore, across the board, managers of varying degrees of duration within their brand management role, agree that there is strong pressure for short term results (however managers who have been in their position for an extensive period do not feel this pressure as much, as 25 per cent indicated disagreement with the statement). Nevertheless, the tables discussed here regarding this issue show findings which produce a branding paradox. That is, brands need long term investment to grow, but this is extremely difficult to achieve due to the pressure for short term results felt by managers of all levels of experience, from all different sizes of company. These findings are shown in Figure 5.59, 5.60 and 5.61.

Figure 5.59 Cross tabulation – Long term investment / Company size

Recorded) The problem with brand building today is that it requires long term investment in strategy, planning and operations * Company Size recoded twice Crosstabulation

% within Company Size recoded twice

		Company Size recoded twice		Total
		SME's <250	Large Companies >250	
(Recorded) The problem with brand building today is that it requires long term investment in strategy, planning and operations	Indicated agreement	87%	79%	84%
	Indifferent	8%	13%	10%
	Indicated disagreement	5%	8%	6%
Total		100%	100%	100%

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Figure 5.60 Cross tabulation –Management under pressure / Duration of position held

(Recoded) Management are under pressure to deliver short term results * Duration of position held recoded Crosstabulation

% within Duration of position held recoded

		Duration of position held recoded				Total
		Short Period (1 to 6mths)	Medium Period (6mths-2yrs)	Long Period (3-8yrs)	Extensive Period (9yrs +)	
(Recoded) Management are under pressure to deliver short term results	Indicated agreement	100%	82%	83%	75%	84%
	Indifferent		14%	4%		6%
	Indicated disagreement		5%	13%	25%	10%
Total		100%	100%	100%	100%	100%

Figure 5.61 Cross tabulation – (Recoded) Brand benefits compromised / Company Size

(Recoded) The benefits of building a strong brand are compromised by pressure for short term results * Company Size recoded twice Crosstabulation

% within Company Size recoded twice

		Company Size recoded twice		Total
		SME's <250	Large Companies >250	
(Recoded) The benefits of building a strong brand are compromised by pressure for short term results	Indicated agreement	84%	79%	82%
	Indifferent	8%		5%
	Indicated disagreement	8%	21%	13%
Total		100%	100%	100%

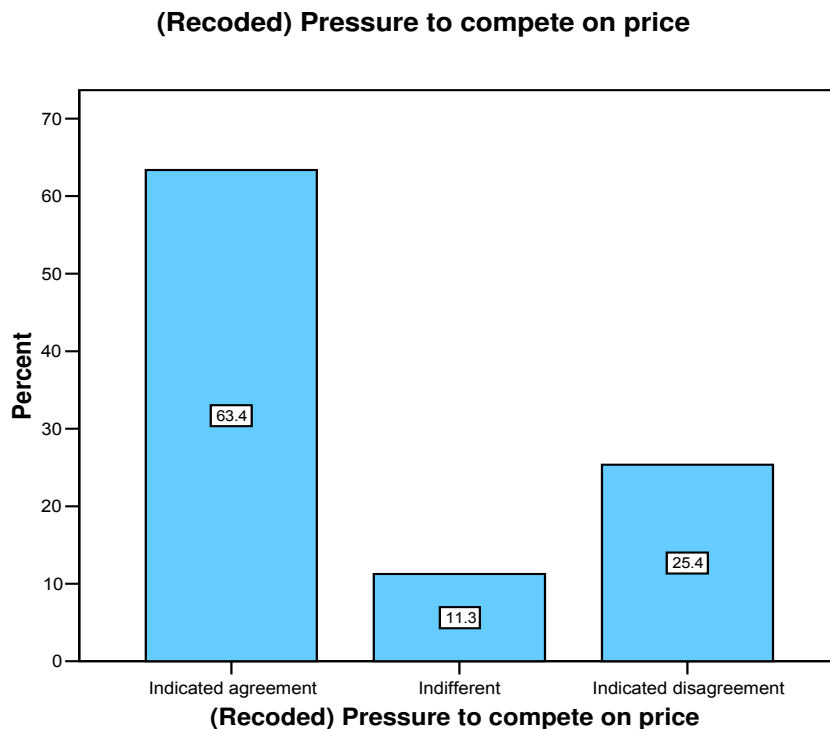
5.8 Analysis of Research Objective Three

The author will now move on to show the findings and analysis with regards to Objective three. Research Objective three is stated below;

To identify obstacles and inhibitors to creating successful brand differential advantage for Irish companies and identify strategies to overcome these.

Firstly some findings relating to question 7 will be displayed. Question 7 was posed as a five point likert scale. It was recoded into three categories for clearer analysis and presentation purposes; 'indicated agreement' 'indifferent' and 'indicated disagreement'. By doing this, the data is presented in more absolute terms therefore allowing easier interpretation of respondents overall attitudes to the issues stated in the question.

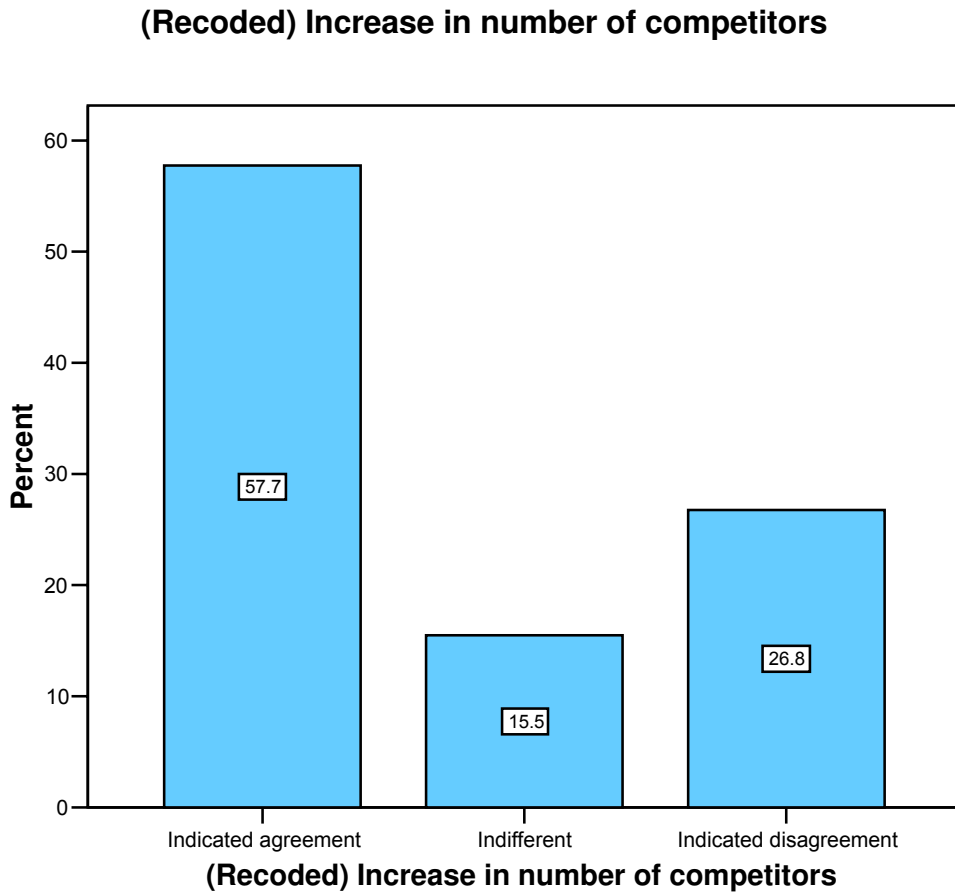
Figure 5.62



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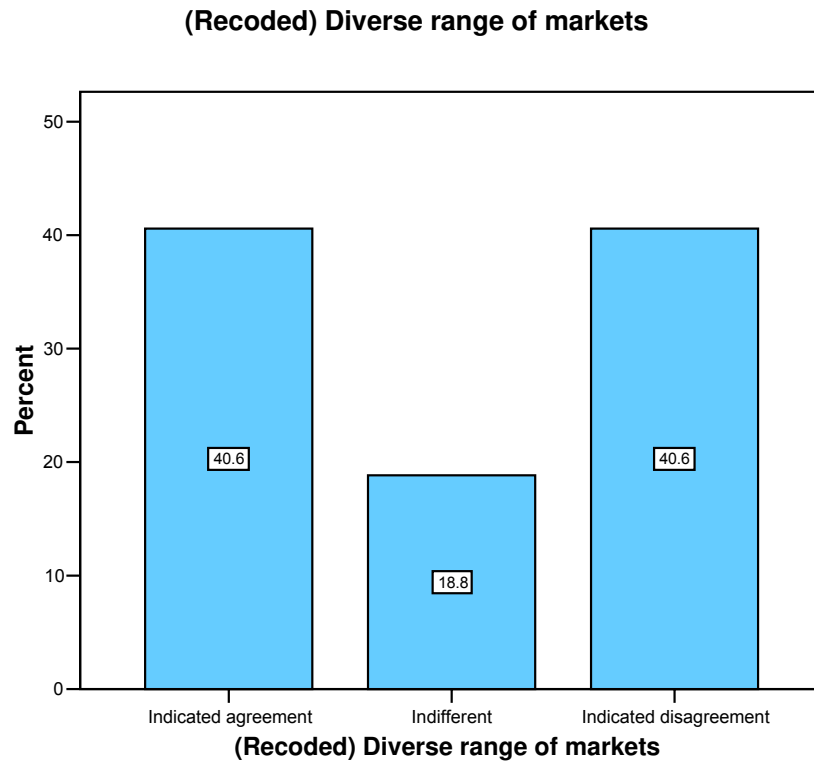
The chart indicates that respondents feel pressure to compete on price across their industries. This is a common theme as 63 per cent indicated agreement with the statement

Figure 5.63



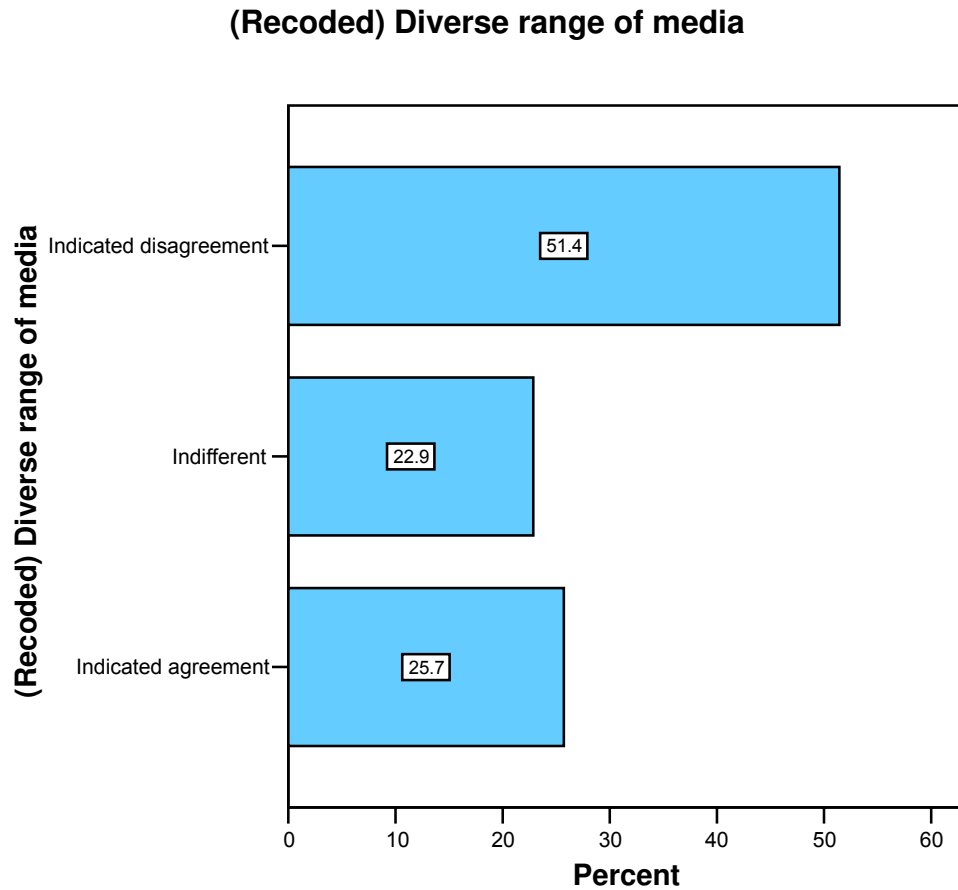
Respondents also feel that there has been an increase in the number of competitors; although this was only felt by 57 per cent. This would correlate with the previous chart which showed that respondents felt that they were under pressure to compete on price. More players in a market will mean a focus on price competition.

Figure 5.64



There was a mixed response to ‘diverse range of markets’ being a restricting factor for brand development. Both 40.6 per cent indicated agreement and disagreement with the statement and the high percentage that indicated indifference, 19 per cent further highlights the mixed attitude towards this issue. Therefore, diversifying markets is not strongly felt to restrict brand growth significantly.

Figure 5.65

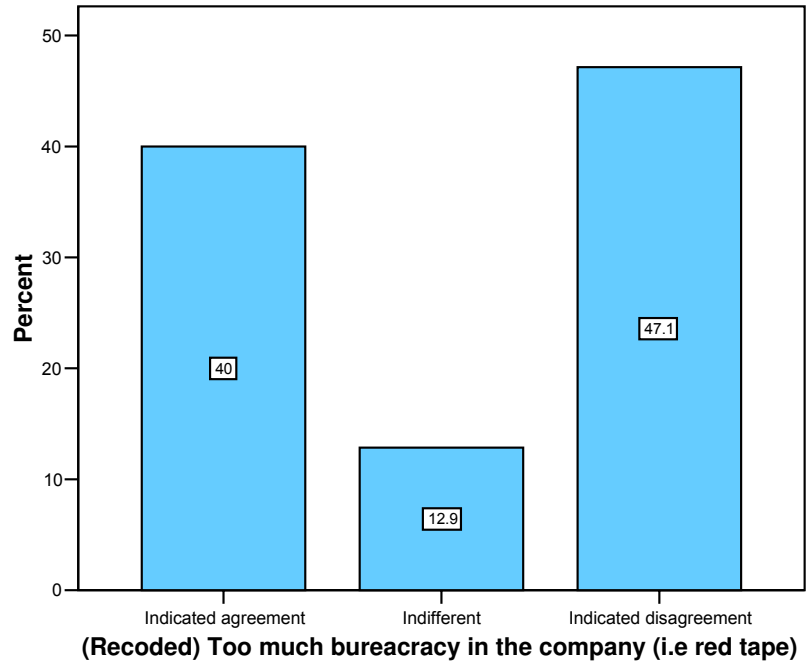


Most respondents felt that the diverse range of media available today is not a restricting factor for the growth of branding activity in their respective companies. Half the sample indicated disagreement with the statement.

Interestingly, with regard to bureaucracy as a restricting factor which could stifle brand development, respondents, on the whole disagreed that this restricts brand growth in their company (see Figure 5.66). This was not by a large amount however, 47 per cent indicated disagreement whilst 40 per cent still indicated agreement that 'red tape' is a key factor that restricts growth in their company.

Figure 5.66

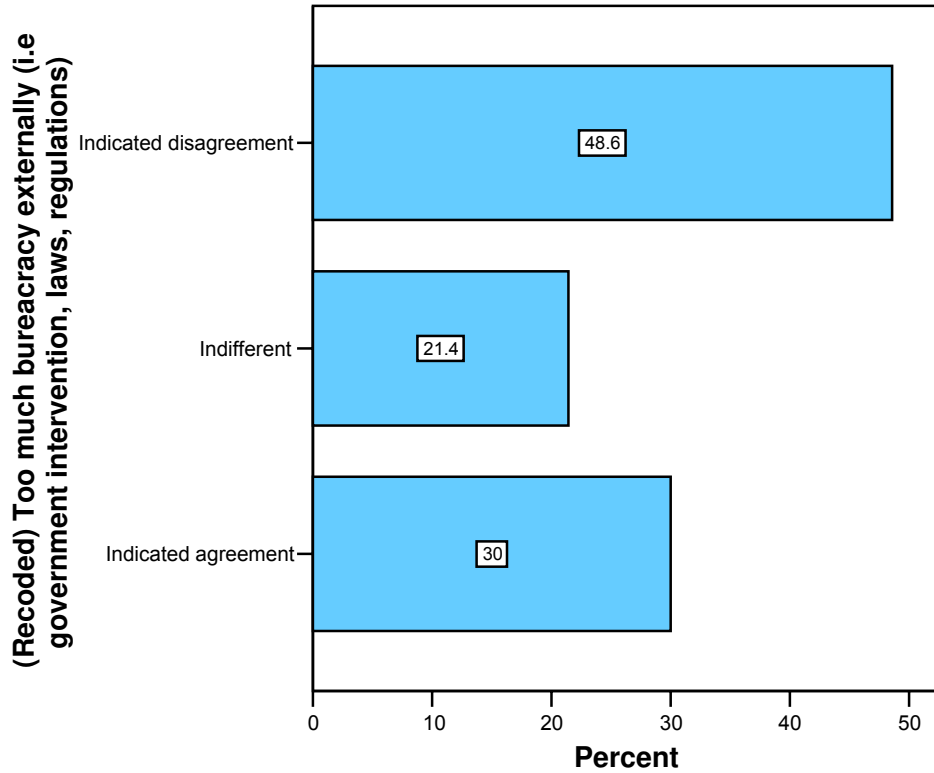
(Recoded) Too much bureacracy in the company (i.e red tape)



The above chart refers to internal bureaucracy i.e. red tape. The survey also aimed to determine if external bureaucracy such as continual government intervention, changing laws and regulations would also restrict branding activity amongst Irish owned b to c companies. The results in Figure 5.67 show that in general, this is not the case. 48 per cent felt that external bureaucracy did not restrict brand activity in their company. There was a high percentage of respondents that had no attitude towards this issue, 21 per cent and 30 per cent who thought that this was a restricting factor. Comparing internal and external bureaucracy, more respondents felt that internal bureaucracy was a more stifling element to branding activity.

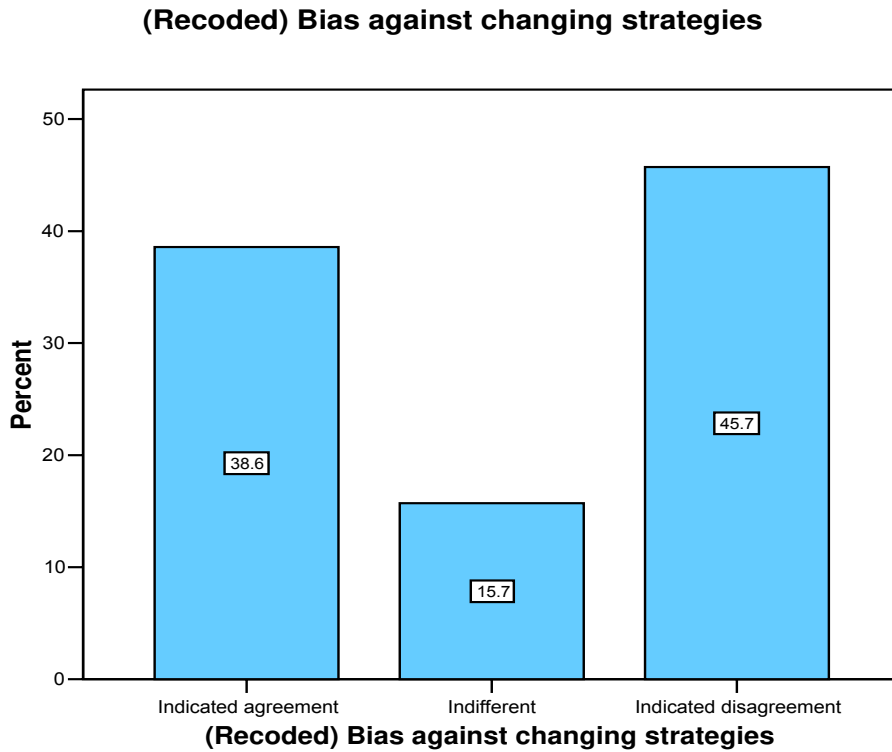
Figure 5.67

(Recoded) Too much bureacracy externally (i.e government intervention, laws, regulations)



In addition, internal bias (mostly by top management) to changing brand strategies is also noted as a restricting factor for brand activity within companies. The findings from Figure 5.68 show that this is in fact, not that prevalent an influence on restricting brand activity amongst Irish b to c companies.

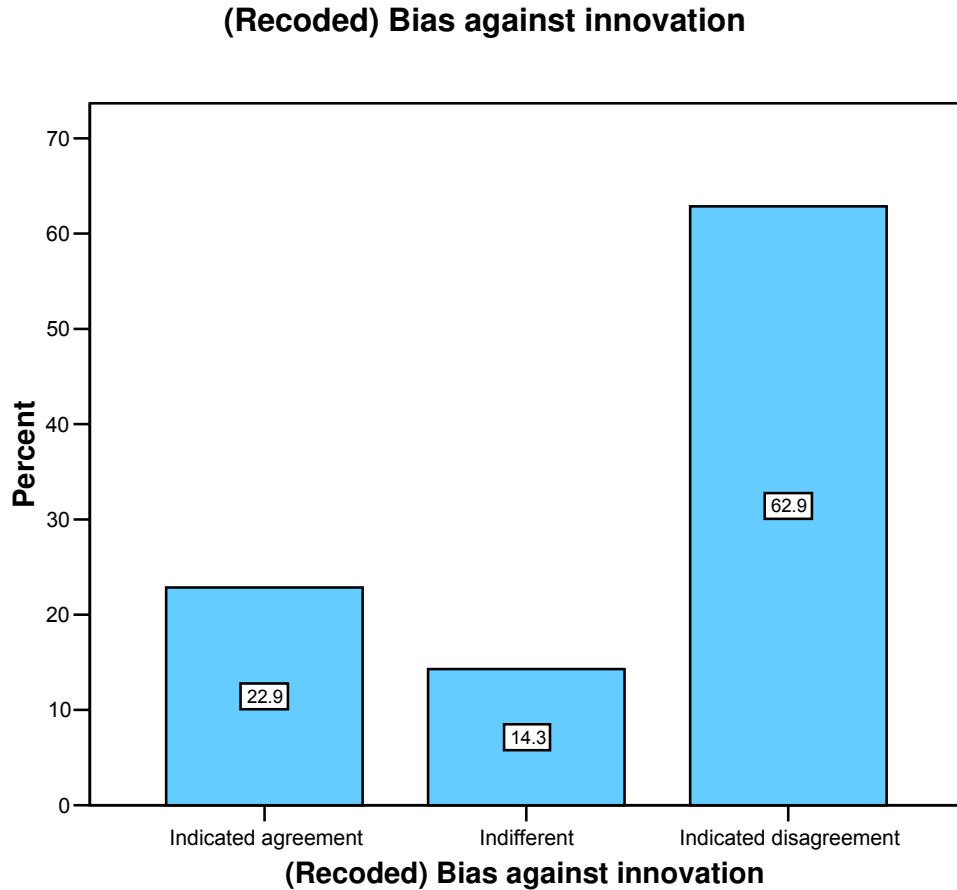
Figure 5.68



In many bureaucratic environments, the opportunity for innovation is limited. In contrast however, there are many companies that actively encourage, support and embrace innovation and thus it becomes a core competency of the company (Johnson and Scholes, 2001). A bias against innovation processes as a key element of strategy could therefore act as a restricting factor for brand activity. Within the survey, respondents were asked if a culture biased against innovation was prevalent in their companies. The findings are illustrated in Figure 5.69 and show some interesting results.

The majority of respondents indicated that there *wasn't* bias against innovation within their company. This however is not to say that their company actively encourages innovation, rather, this finding just shows that the majority of companies, 63 percent are *not* biased against innovation.

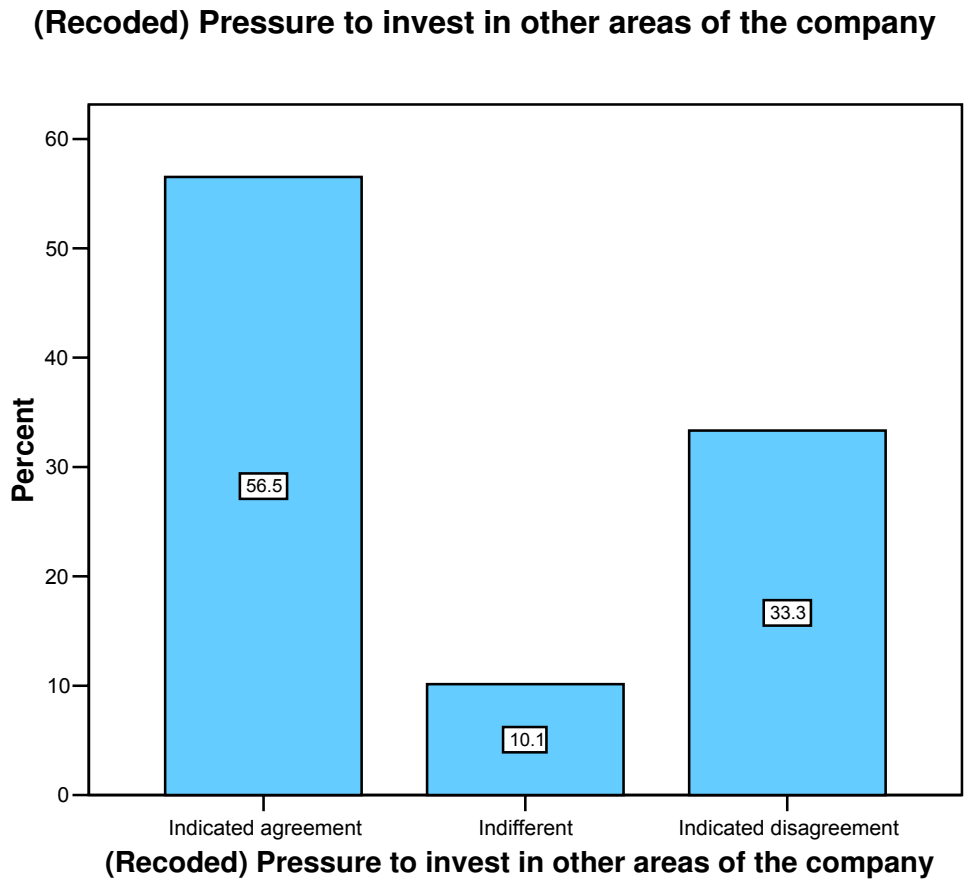
Figure 5.69



Only a small percentage of the sample, 23 per cent, indicated that their companies were biased against innovation.

Indeed, building a strong brand invariably involves financial, operational and strategic investment, yet often, affording investment for the brand(s) is difficult to do. The research endeavoured to discover if other areas of the business took priority over the brand(s) therefore restricting the level of brand activity. The statement was carefully worded as 'pressure to invest in other areas of the company'. The findings from this question, 7i can be seen in Figure 5.70

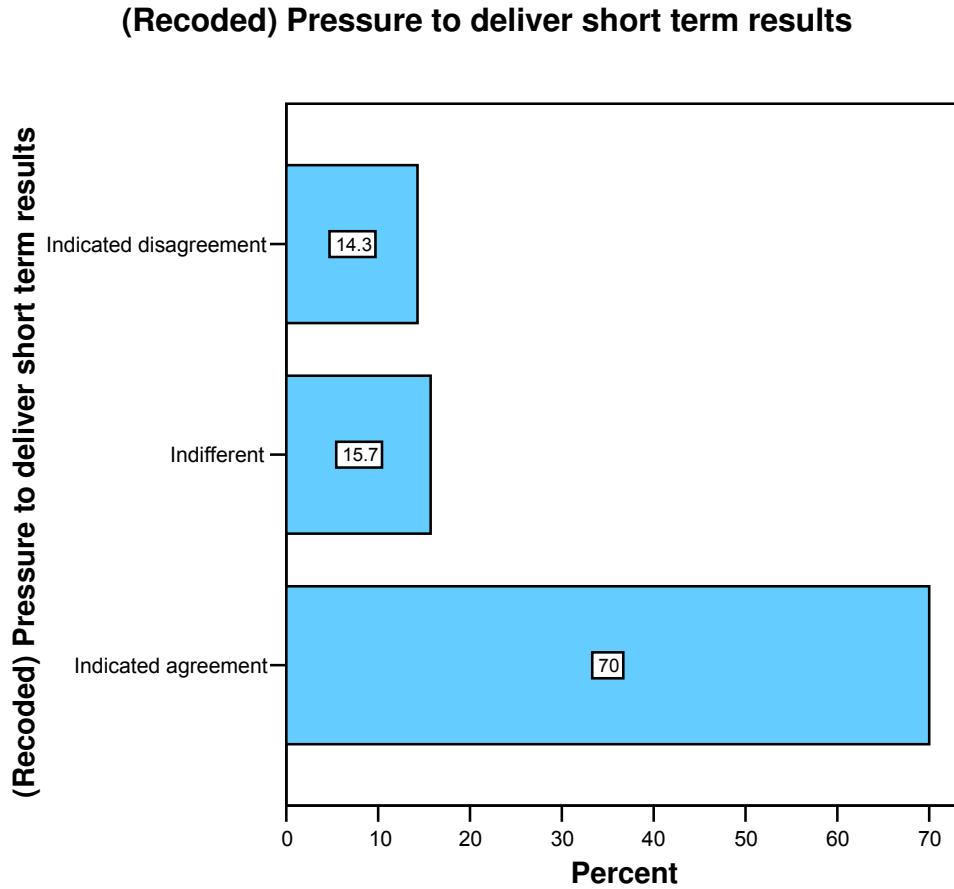
Figure 5.70



There was a strong indication that the pressure to invest in areas of the company *other* than brand development is a key restrictor for brand activity, 57 percent indicated agreed. There were some that had the opposite attitude and these respondents made up 33 per cent of companies that *do not* feel that pressure to invest in other areas of the company acts as a restricting factor for their branding activity.

The pressure for managers of brands to deliver short term results has hitherto been mentioned in this chapter. This issue was also referenced in question seven to identify how many companies felt pressure for short term results restricted their brand activity. The findings again illustrate the need for short term results across all industries as shown in Figure 5.71.

Figure 5.71



70 per cent of the sample indicated agreement with 16 per cent indicating indifference and 14 per cent disagreeing with the statement.

The final statement in question 7 relates to corporate culture and is therefore directly related to several previous statements in question 7. This question endeavoured to discover if respondents felt that the corporate culture within their company was a key factor in restricting brand activity. The results showed that, to a ratio of 5:3 that within some companies sampled the corporate culture restricts the brand activity and within others this is not the case.

Analysis and Findings

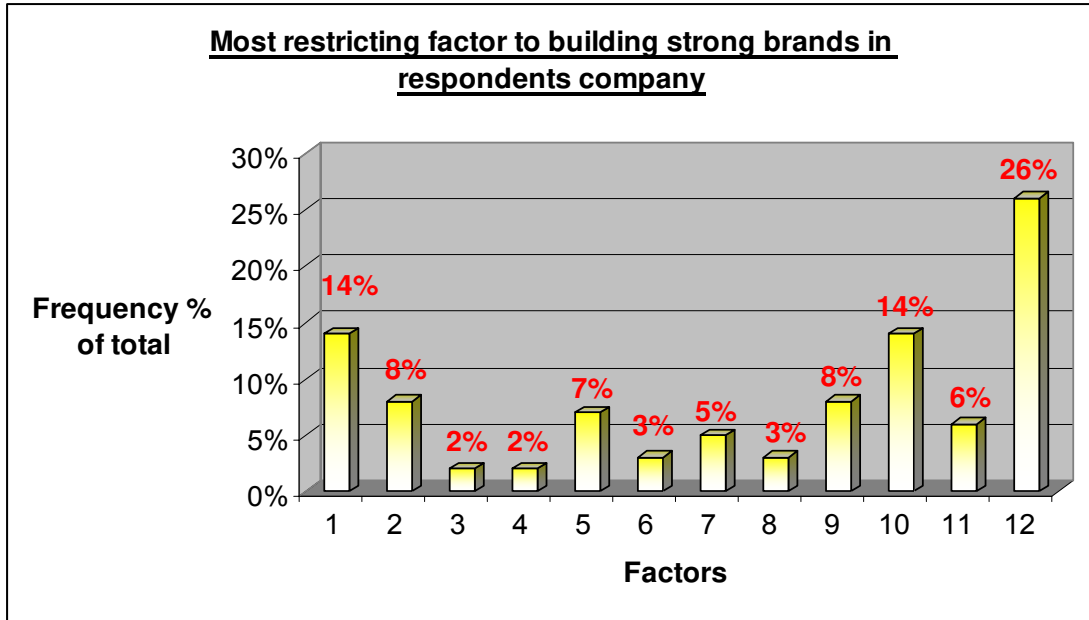
Question 7 was partly unstructured to allow respondents to express what they felt to be the *most* restricting factor either from the factors provided in the question or other. All these responses can be seen in the Appendix. For presentation and the purposes of clarity, some key responses have been selected for inclusion in this chapter and these are shown in Figure 5.72. The responses were analysed and attributed scores according to which factor they related to. As responses to this question were unstructured in text form, some related to more than one factor. Therefore, this indicated that there was no one total restricting factor, rather, a *combination* of factors were responsible for restricting brand building in the respondents company. Respondents could state their most restricting factor either from the list in question 7 or other. There were 11 statements initially, but as Figure 5.72 below shows, many answers centred around the theme on ‘financial investment’ and therefore this was given its own category, making the total number of factors to 12. It must be noted that there were no other responses that did *not* correlate to any factor from the list in question 7 other than that of financial investment, just mentioned. The factors are numbered 1 to 12 below and the frequency percentages are illustrated in the bar chart in Figure 5.72

Figure 5.72 Restricting Factors

<i>1. Pressure to compete on price</i>
<i>2. Increase in number of competitors</i>
<i>3. Diverse range of markets</i>
<i>4. Diverse range of media</i>
<i>5. Too much bureaucracy in the company (i.e. red tape)</i>
<i>6. Too much bureaucracy externally (i.e. government intervention, laws, regulations)</i>
<i>7. Bias against changing strategies</i>
<i>8. Bias against innovation</i>

9. Pressure to invest in other areas of the company
10. Pressure to deliver short term results
11. The organisational culture in the company
12. Financial investment

Figure 5.73



The findings show that affording financial investment to building brands, long term or short term to any area of brand building, marketing, pr, advertising etc is the most restricting factor for the companies sampled. This accounted for 26 per cent of the responses given. Joint second most restricting factor, both with 14 per cent were ‘the pressure to compete on price’ and ‘the pressure to deliver short term results’. Joint third most restricting factor, both with 8 per cent of responses were ‘increase in competitors’ and ‘the pressure to invest in other areas of the company’.

In sum, these responses depict a very difficult picture for Irish brands as the findings show they lack financial support for brands, they are under short term performance pressures, they face increasing competition and thus are forced to compete on price

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eroding the opportunity for differential advantage and or financial investment in brand building. It must be noted however, that the responses are quite diverse with all factors being selected as the most important factor by at least one respondent. This would highlight the diversity of industry backgrounds and sectors the respondents come from.

Although the most restricting factors have been noted above, the variety of responses shows the *range* of restricting factors that different b to c companies have to brand building in their companies. Some of respondent's answers are shown in Figure 5.74.

Figure 5.74 Unstructured responses to restricting factors

1. *"From my experience the pressure to be price competitive is a major issue when developing a brand as well as the constant influx of new competitors as companies run the chance of being reactive to changes in their industry rather than proactive and delivering a high quality brand."*
2. *"Ireland is a small market in fmcg and there is an increasing penetration of private label which makes it smaller. There is an increasing level of segmentation occurring which also causes volume reduction"*
3. *"Finanace! It is very difficult to create awareness for a product(s) when you are on a tight budget and cannot afford advertising"*
4. *"Culture and the lack of appreciation of the benefits of strategic marketing and investing in nurturing our key brands"*
5. *"Without a doubt the pressure to deliver short term results and the resistance to longer term activities and investment"*
6. *"Lack of expertise in marketing division"*
7. *"Pressure to deliver short term results. Branding doesn't have direct quantifiable results in the short term therefore this is seen as "Waste"*
8. *"Financial resources - We can only invest in our branding if we have the financial resources available - its a balancing act. Short term results provide the resources needed to invest and strengthen the brand."*
9. *"Difficulty in moving from small company to medium sized company is that the mentality and aversion to change ("if it's not broken, why fix it" attitude) restrict investment in brand building or evolution of the brand identity"*
10. *"Pressure to deliver the same results, year after year, with less resources, a growing number of competitors and a resistance to trying new methods of marketing and brand building"*
11. *"Pressure to achieve short term results means that resources are spent on price promotions to hit targets. Budgets are diverted away from advertising and through the line activity in favour of price promotion which ultimately erodes the brand value and gets you caught in a vicious cycle (sales promotion spend escalates year on year as you have to hit the same highs and due to competitive pressures it takes ever deeper cuts to hit them)"*

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12. *“Investment in the brand. When you compare the marketing spend on products to launch in Ireland versus what it would take to launch in UK or elsewhere it is at least 10: 1 in my opinion. We are competing with global organisations who have economies of scale. This is why the majority of NPD launches fail. Ireland is used as a test market to launch a number of products for global organisations - Unilver, Nutricia are but a few”*

13. *“I work for a government body, and the way of thinking (with regards to all areas) is very old fashioned and backwards. There are one or two people in charge of the brand, and they do not act in accordance to the opinions of the consumers of said brand...they are simply acting the way their predecessors 40 years ago acted”*

14. *“Retailers will only list or continue to list products what give them a extremely high margin. This only benefits them not the end user. This pressure on margin reduces the budget to spend on marketing/promotion”*

Many responses centre on the theme of the difficulties in affording financial investment. These difficulties arise from different business situations depending on the context of the industry within which the firm operates. For example the response number 14 which clearly shows that for this respondent the retailer is a key factor in increasing pressure to cut costs thereby allowing for higher margins for the retailer in order to secure shelf space. This pressure has a direct effect on the companies budget for brand building activities and thus with the result that lack of financial investment restricts their opportunity for brand building.

Another theme related to affording financial investment was the corporate culture of the company, yet this did not score highly in question 8. Nevertheless, there is evidence to suggest that in some companies a corporate culture is a principle reason for stifling brand development. For example, response number 4 where the respondent states that the culture of the company has fostered a ‘lack of appreciation’ for the benefits of branding and strategic marketing. In addition response number 5 states that there is a ‘resistance’ to longer term activities and investment. In response 7 the reference to corporate culture is again evident when the respondent states that because the results from branding activities are at times difficult to quantify, it is often ‘seen as a waste’. The respondent from the small company in response 9 states that there is a difficulty in shifting a mentality of ‘it isn’t broken why fix it attitude’, resulting in an ‘aversion to change’. Finally,

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response 13 shows the bureaucratic culture in state owned companies where there is a very conservative attitude towards growth and either little or no innovation or emphasis on brand building.

Another notable trend in responses was the pressure for short term results, versus long term investment theme. Again this has been a prevalent finding throughout this chapter and there are some interesting responses in question seven relating to this theme. Responses 5, 7 8, 10 and 11 all relate to this issue. The need for short term measurable figures is paramount in response number 7. In addition, this paradox is described as a 'balancing act' in number 8 where the respondent emphasises that short term performance is necessary in order to release the funds for longer term investment, thus resulting in pressure felt by brand managers to perform in the short term. The respondent in statement 10 highlights the need to use price promotions as a strategy to hit short term targets, yet at the expense of the brand image. It has been noted in literature that constant price promotions can damage the brand image by having a cheapening effect (Aaker, 1996). This respondent goes on to state that this effect worsens year upon year as increase in competition drive prices down thus requiring higher promotional spend to achieve results.

Finally, the respondent in statement number 12 notes the effect Ireland's market size has on b to c brands in their particular industry. The respondent states that, in their opinion, marketing spend for brands is much higher than that of the UK for example due to the domination of the Irish market by global companies with economies of scale, therefore increasing the cost to achieve any level of market penetration.

5.8.1 Research Objective Three - Question 18

Questions relating to research objective three were specifically worded to gain insight into the factors that may inhibit brand activity within Irish companies. Question 7 focused on some specific factors at the micro level, such as resource allocation and corporate culture and question 8 was unstructured to allow

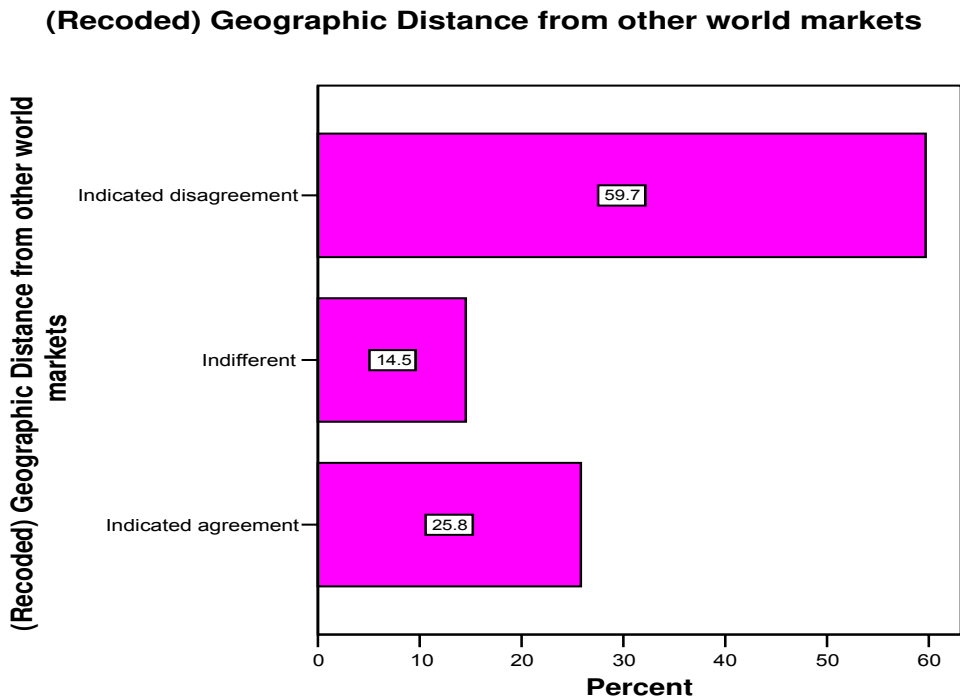
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respondents to specify exactly, in their opinion, what the most restricting factor is to brand activity in their company.

In question 18, some key factors noted within the literature as inhibitors to development internationally and globally are presented as statements in a Likert scale. Respondents were asked to indicate their level of agreement as to whether they feel these factors prohibit the opportunity for Irish brands to be successful at an international or even a global level. Some statements in question 18 were recoded into three smaller categories for the purposes of clarity, to facilitate analysis and for presentation purposes. The responses are illustrated in the subsequent frequency charts beginning with statement 18a.

This statement refers to Ireland’s geographic location comparative to other world markets and whether this can be attributed to a restriction on the growth of Irish owned consumer brands internationally.

Figure 5.75



Analysis and Findings

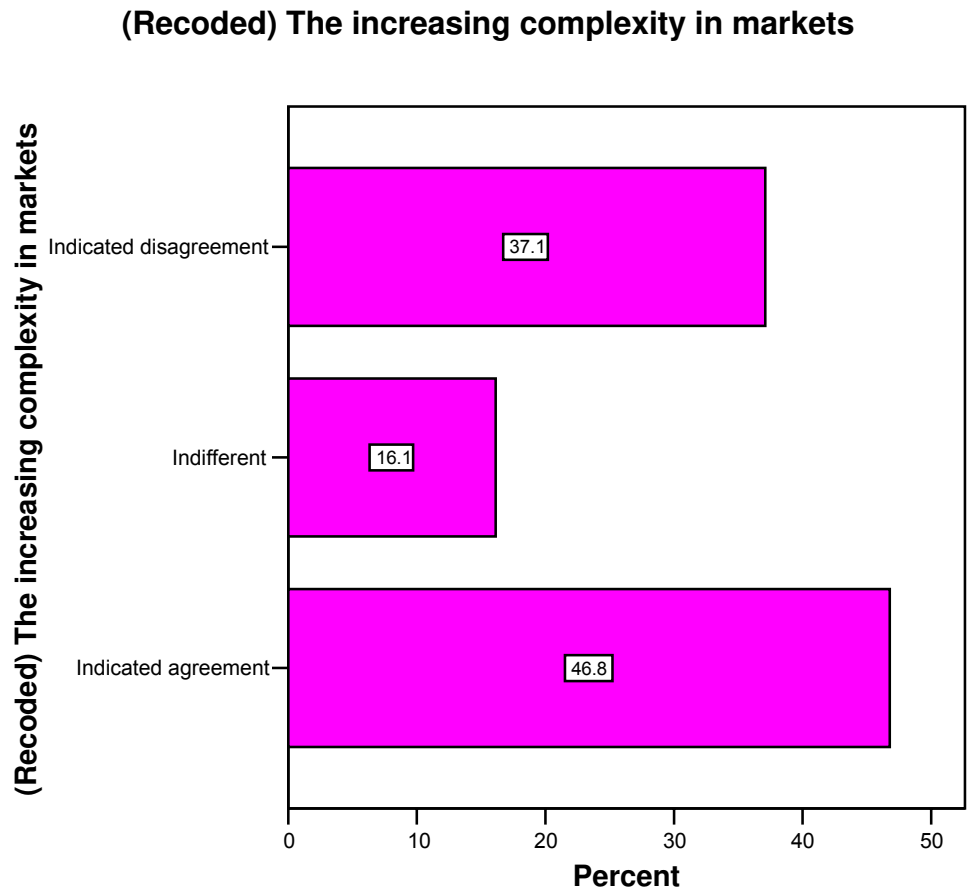
The chart shows that the majority of Irish brand managers do not agree that Ireland's geographic location affects the opportunity for brand development internationally; nearly two thirds of respondents supported this belief. 26 per cent felt the opposite, that Ireland's geographic distance from other world markets affected its opportunity to produce international brands.

The next statement, 'the pace of change in markets' is relatively subjective in nature as the pace of change will be industry and regionally specific. Technology based industries differing from agricultural industries for example. Nevertheless, the pace of change in any market is a key factor in the development of a brand and therefore warrants inclusion for study.

The results showed a mixed response to the statement as 37 per cent indicated agreement and only slightly more, 42 per cent disagreed. There was also a high percentage of respondents who were indifferent to the statement, further highlighting neutral attitudes to this question.

The next statement, 18c was again subjective in nature but related specifically to the manner in which markets are becoming increasingly complex in the sense that communication with a specific target market is becoming an ever more difficult goal to achieve. The study endeavoured to gain insight into Irish brand managers attitudes towards this trend. The findings are displayed in Figure 5.76.

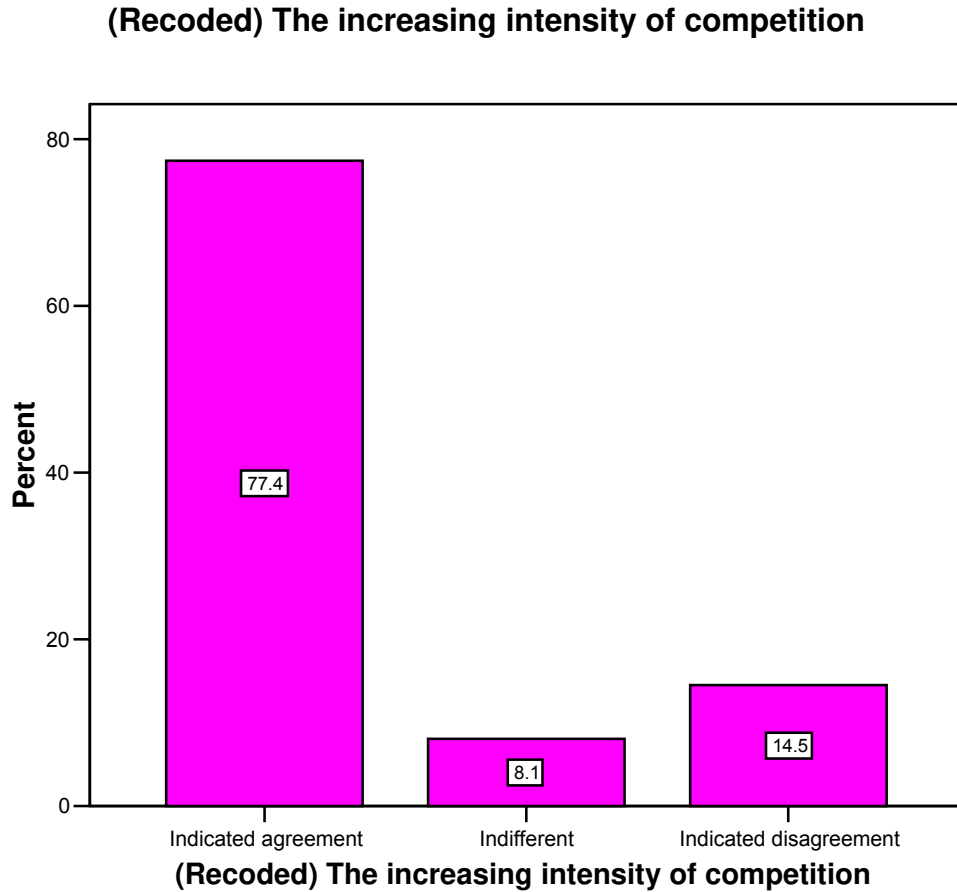
Figure 5.76



Once more, respondents showed mixed attitudes towards this issue. 37 per cent agreed that increasing complexity in markets was a key inhibitor for the growth of Irish brands internationally, while 47 per cent did not. 16 per cent were indifferent towards the issue.

Question 18 was posed in order to assess the degree to which respondents agreed that the intensity of competition restricted the opportunity for Irish brands to be successful internationally or even globally. The findings are shown in Figure 5.77.

Figure 5.77



Unsurprisingly, as we have seen from previous results, respondents agree that the increasing intensity of competition does restrict the opportunity for Irish brands to be successful internationally or even globally. 77 per cent agreed with the statement and only 14.5 per cent disagreed. There were very few respondents that had an indifferent attitude to this issue.

Ethical methods of business, or a company's 'moral responsibilities' could hinder its pace of international growth. This in tandem with a company's social responsibilities i.e. stakeholder satisfaction could also act as factors which could decelerate the internationalisation process and inhibit the scale of success

Analysis and Findings

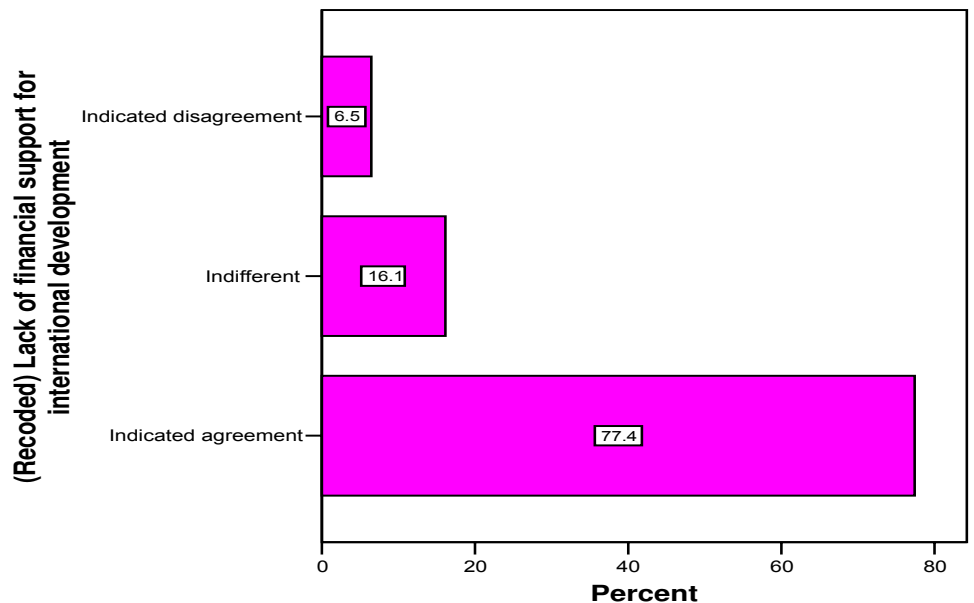
internationally. These issues were included in the study in question 18 in statements E and F.

The findings showed that respondents do not think that either a company’s moral responsibilities i.e. ethical behaviour or its social responsibilities i.e. corporate social responsibility, restrict the opportunity for Irish brand success internationally. There was a high percentage of indifference in attitude indicated for statements, 32 percent and 37 per cent respectively. There was therefore a high number that did not feel too strongly with regards to these two issues and therefore graphs were not included. Those who did have an attitudinal disposition disagreed with the statement and thus feel that ethical and corporate social responsibility issues should not prohibit success at an international level for Irish brands.

The difficulties for SMEs in affording financial investment for brand development was noted as a finding from the research earlier in this chapter. Question 18 addressed the issue of financial investment once more but this time regarding international development. Respondents’ attitudes with regards to this issue are illustrated in Figure 5.78.

Figure 5.78

(Recoded) Lack of financial support for international development



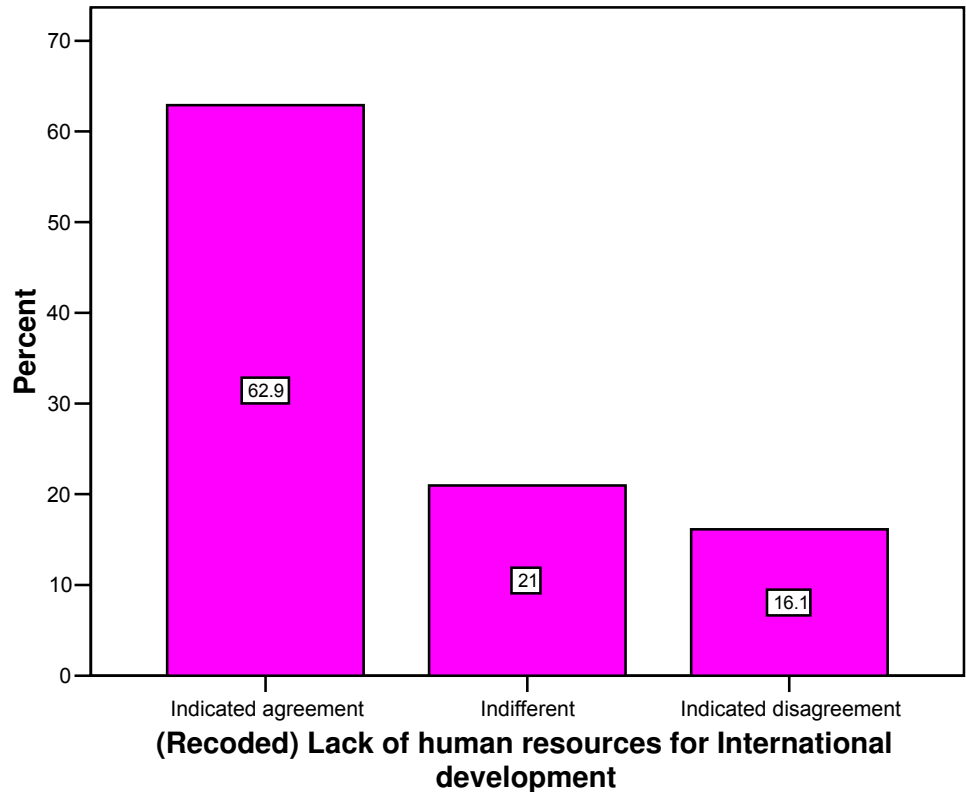
Analysis and Findings

It appears that most respondents agree that a lack of financial support is restricting the opportunity for Irish brands to be successful at an international and even a global level. 77 per cent indicated agreement with the statement. 16 per cent neither agreed nor disagreed and only 6 per cent disagreed.

Continuing on the theme of affording investment to international growth, the next statement related to a lack of human resources investment. Respondents' attitudes towards this are illustrated in Figure 5.92. It appears that respondents think that a lack of human resources investment to support international development does restrict the opportunity for Irish brands to achieve success outside of the home market.

Figure 5.79

(Recoded) Lack of human resources for International development

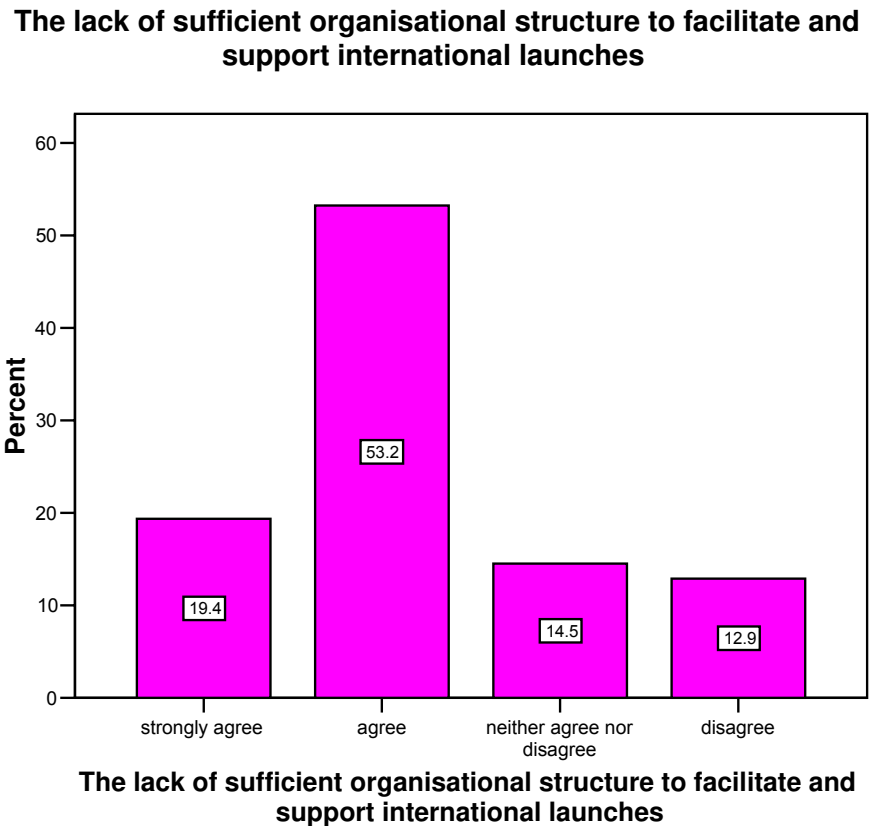


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63 per cent of the sample agreed with the statement and 16 per cent disagreed. This shows that respondents place high value on affording human resources investment to brand development internationally. This is in addition to the majority belief that a lack of financial investment is actually costing Irish brands the opportunity for international success.

The need for an organisational structure capable of supporting international development and growth is paramount for any brands to succeed internationally (Johnson and Scholes, 2001; Hollensen, 2002). Respondent's views were sought with regard to this issue and the growth of Irish brands. The findings are shown in Figure 5.80.

Figure 5.80



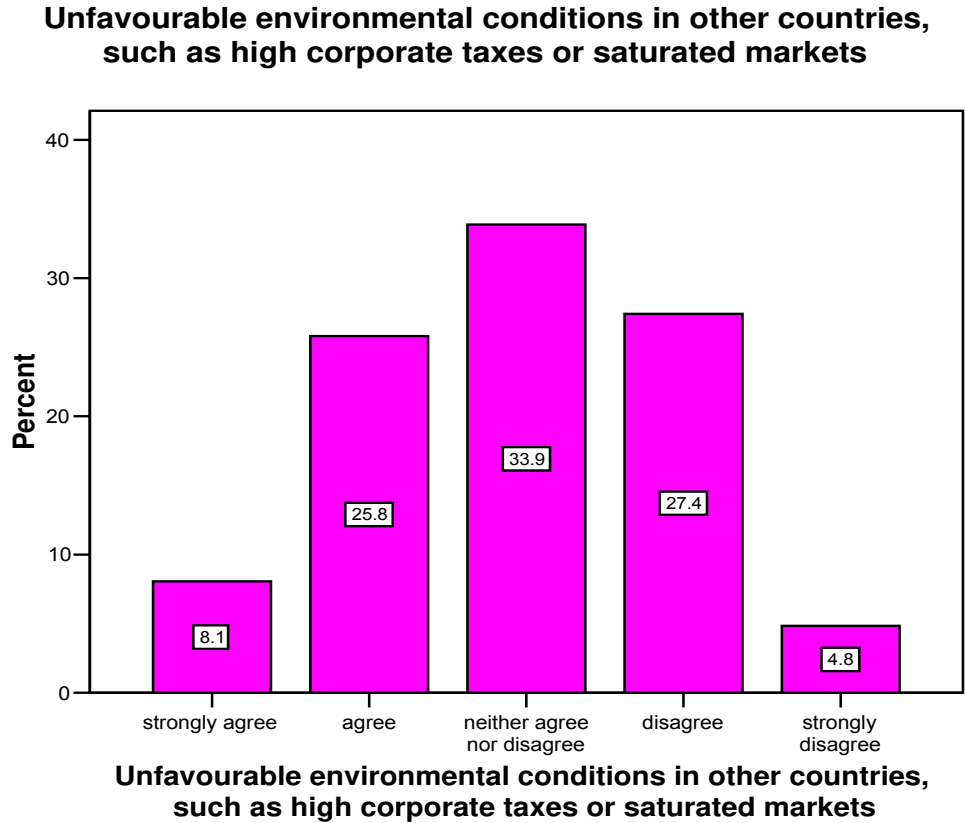
Lack of organisational structure to facilitate and support international launches is thought to be a key restricting factor here for Irish brand success. 53 percent agreed

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with the statement and a further 19 percent strongly agreed, in total, 72 percent indicated agreement, thus highlighting this as a key issue for international brand growth.

The economic policies introduced in the late eighties and early nineties by the Irish government such as lowering corporate tax rates were designed to create favourable corporate environmental conditions and thus entice foreign direct investment. Such policies have been widely credited by authors such as Sweeney (2001) and Bonoma (2002) as playing a catalyst role in the rapid growth of the Irish economy in the mid nineties and thus fuelling the Celtic tiger. This issue was referenced in question 18 but examined from a slightly different perspective, that of the opposite to foreign direct investment, rather, internationalisation opportunities for Irish companies. The study wished to assess the degree to which respondents felt that lack of Irish brand success abroad was caused or contributed by unfavourable environmental conditions in other countries such as high corporate taxes or saturated markets. Again, it must be noted here that this issue is highly subjective and contextually dependent to a brand's industry or international market. Nevertheless, the aim of this phase one survey is to canvass general opinion on Irish branding issues and therefore under this goal this statement warrants inclusion in the study. The findings from this question can be seen in Figure 5.81.

Figure 5.81



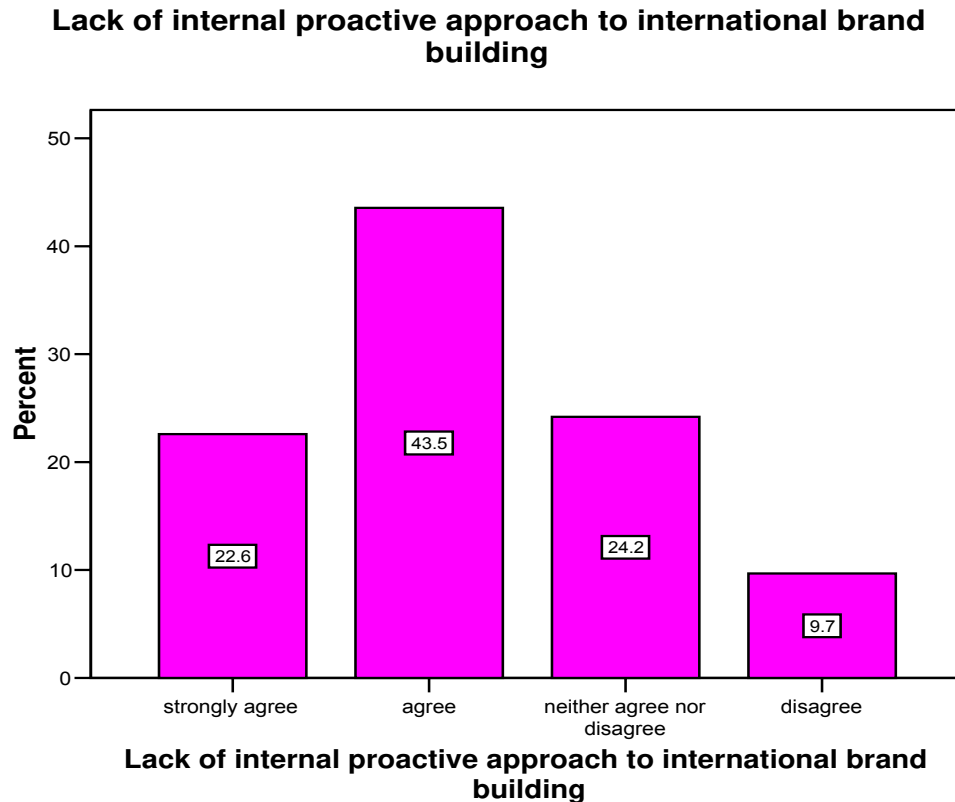
It appears that respondents really don't have strong attitudes regarding this issue, rather, there are mixed opinions. 26 percent agree that unfavourable environmental conditions restrict Irish brand growth opportunities, whereas 27 per cent disagree. The results show a very split opinion but also a high level of indifference represented by 34 percent that selected neither agree nor disagree.

The penultimate statement in question 18 was a critical question for the entire survey and had as its aim to discover if respondents felt that there is a lack of proactive approach amongst Irish b to c companies towards international brand building. The results from this question are illustrated in Figure 5.982. Respondents are clearly of the position that a lack of internal proactive approach to international brand building is restricting the opportunity for Irish brands to prosper in foreign markets as 44 per cent agreed with the statement and a further 23 per cent strongly agreed, a total of 67

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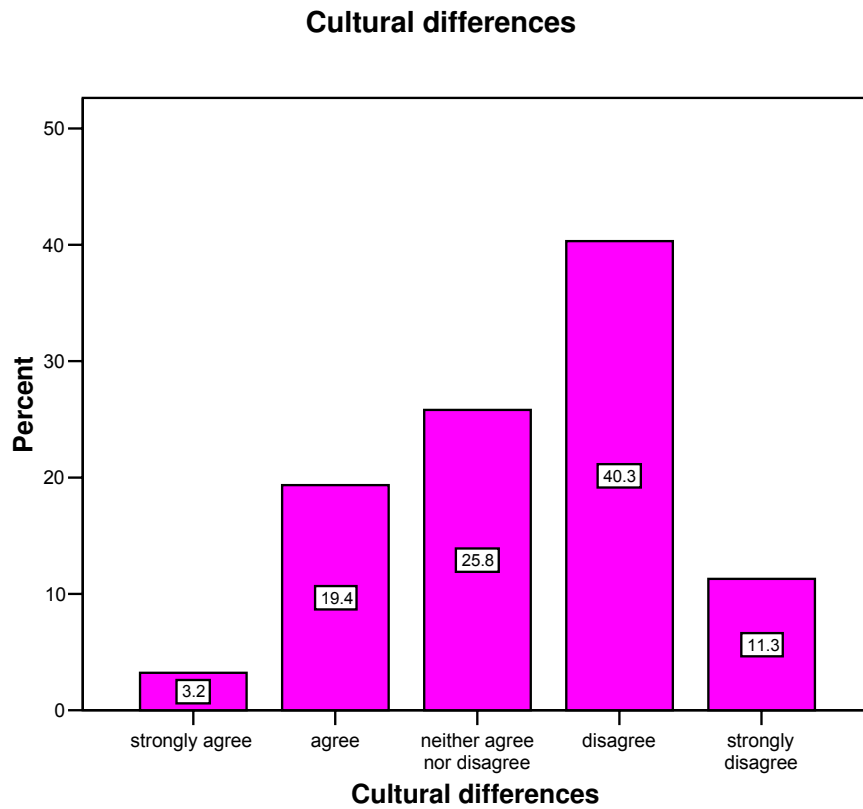
per cent indicating agreement. This is further highlighted by the fact that no respondents selected 'strongly disagree' and only 10 per cent selected 'disagree'.

Figure 5.82



The final issue regarding the factors which restrict Irish brand success internationally was culture differences. Culture differences have been noted as the biggest element to consider for any international market entry strategy (De Mooij, 2002). This statement aimed to discover if the cultural differences between Irish companies and other markets inhibit the opportunity for success. The frequency chart in Figure 5.83 displays the findings.

Figure 5.83



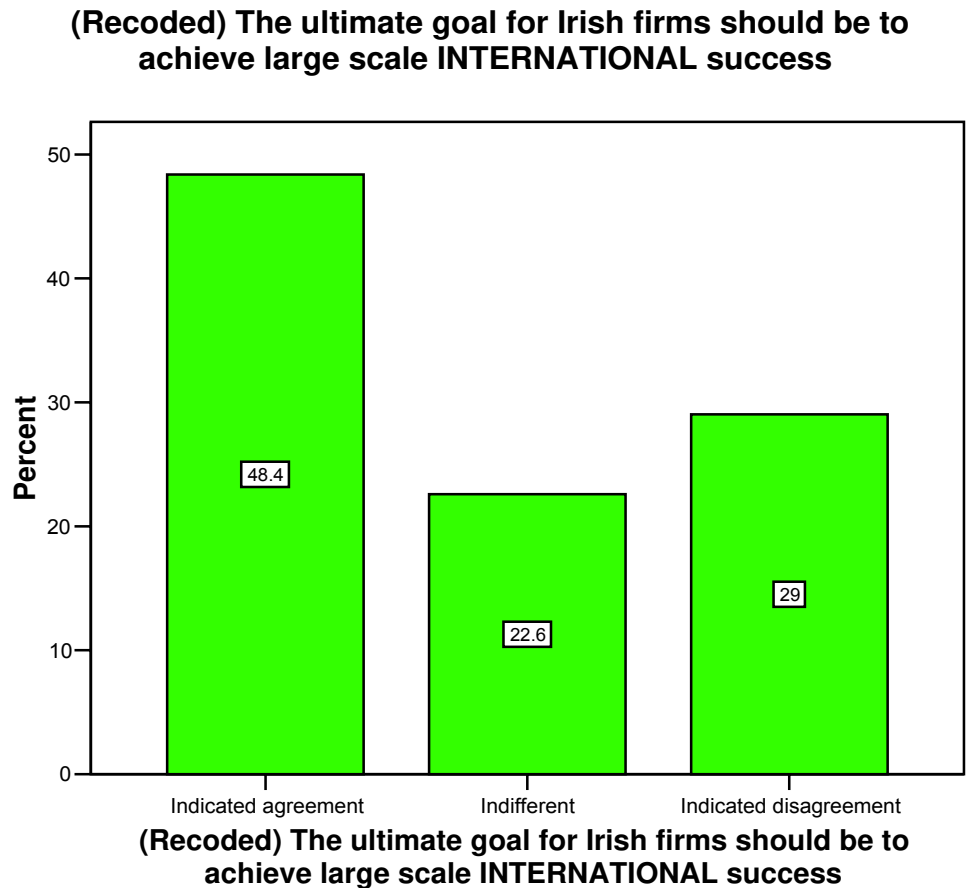
Interestingly respondents did not see cultural differences as a prohibitor to international success for Irish brands. Just over half of respondents indicated disagreement with the statement with most selecting 'disagree' rather than 'strongly disagree'. There were some respondents who did agree that culture is a restricting factor, 19 per cent.

5.9 Analysis of Research Objective Four

Research objective four is centred on the theme of Irish brand development internationally, and in particular, Irish brand manager's opinions regarding this issue, This objective therefore lends itself more to a qualitative methodology more so than quantitative. Phase two of the research is therefore better suited to satisfying this objective. Nevertheless, to provide an indication of respondents' attitudes regarding

this issue and thus to give some statistical support to the phase two research, question 19 in the survey related to this objective. Question 19 was the only question relating to objective four and again for the purposes of administration, presentation and consistency, this question followed the likert scale format previously used throughout the survey. The statements included in question nineteen were based on a mix of academic and also anecdotal evidence. The first statement relating to objective four dealt with the actual goal of Irish companies to achieve large scale international success and moreover, should this be the *ultimate* goal for Irish companies? The findings are illustrated in Figure 5.84.

Figure 5.84



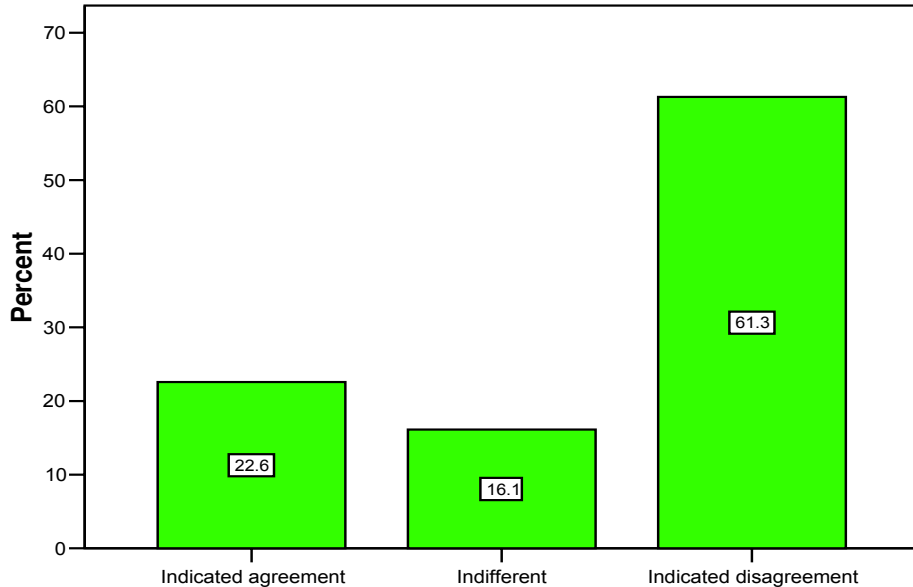
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It seems that almost half of respondents agree that large scale international success *should* be the ultimate goal for Irish firms. 48 per cent indicated agreement with this statement.

The next statement was derived from the ‘globalisation as Americanisation’ theme in research conducted by Holt et al (2004). The statement was worded in order to see if respondents felt that there was a distinction in terms of corporate culture between American companies who enjoyed much internationalisation success in the eighties (Holt, 1999) and Irish companies today. The statement related to the manner with which American companies entered new markets which was considered to be an ‘aggressive’ style of international growth (Holt et al, 2004). The findings are illustrated in Figure 5.85.

Figure 5.85

(Recoded) The Irish are not like the Americans or other nations who aggressivley push their brands into other markets. Its not in our culture



(Recoded) The Irish are not like the Americans or other nations who aggressivley push their brands into other markets. Its not in our culture

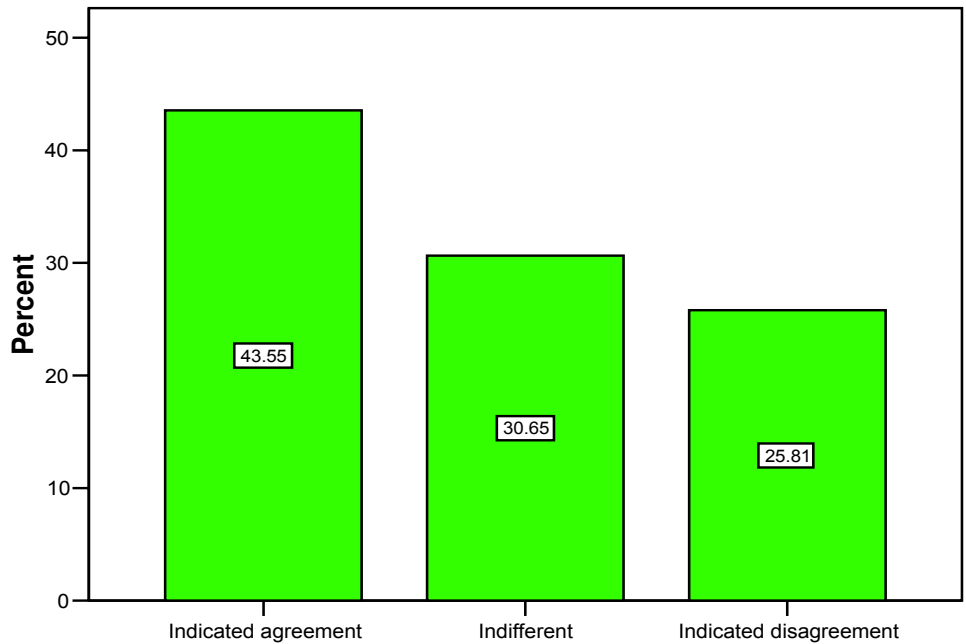
Analysis and Findings

The chart shows, most respondents disagree that Irish business culture is not conducive to aggressively pushing brands into other markets 61 per cent disagreed with the statement.

The next statement refers to the literature regarding the exit strategies of large Irish companies, a notable phenomenon in the late eighties and nineties (Lambkin, 1994). Lambkin highlights this trend of Irish companies being acquired by large multinationals once substantial infrastructure and international success has been achieved by the Irish brands. Recent examples of this would be Guinness, now owned by Diageo and the Jameson brand, manufactured by Irish Distillers, which is now owned by Pernot-Ricard. The findings from this question are shown in Figure 5.86.

Figure 5.86 Multinational influence

(Recoded) Once multinational success is achieved on a large scale, Irish brands always sell out, most major Irish successes are foreign owned because of this trend



(Recoded) Once multinational success is achieved on a large scale, Irish brands always sell out, most major Irish successes are foreign owned because of this trend

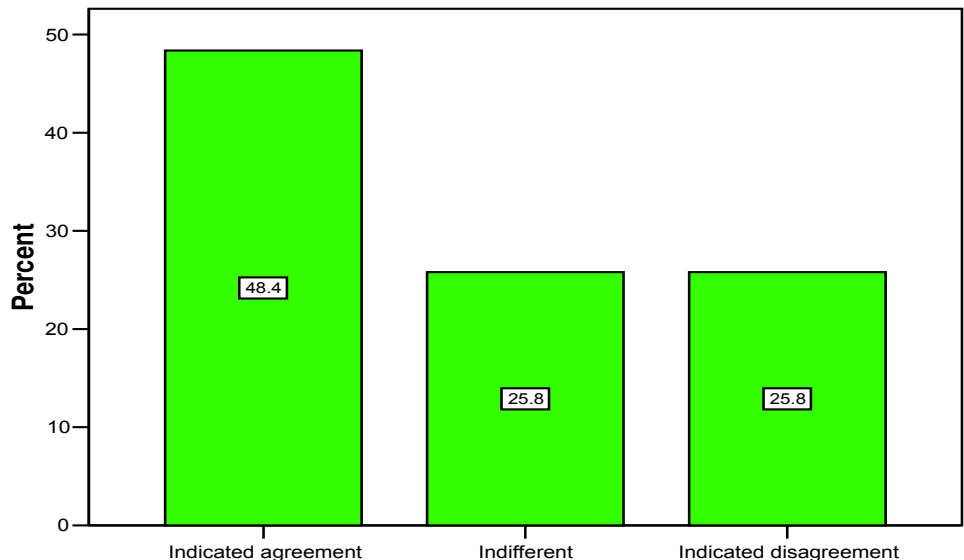
Analysis and Findings

Attitudes to this statement are quite varied. 43 per cent of the sample agreed with the statement indicating that there is a feeling that Irish companies ‘sell out’ once they have achieved large scale success. Yet, there was a high level of indifference, 30 percent where respondents neither agreed nor disagreed. 26 per cent disagreed with the statement.

The Irish economy has indeed benefited from the large amount of foreign direct investment in the nineties fuelling the growth of the Celtic Tiger (Burnham, 2002; Sweeney, 2001). Foreign direct investment has provided a wealth of opportunity for Irish graduates and contributed to the growth of the labour market, thus resulting in Ireland having one of the lowest unemployment rates in the world (Bonoma, 2001). The next statement aimed to gain insight into respondents’ attitudes towards this issue. Specifically, with regards to whether or not Ireland’s reliance on foreign direct investment is such that the opportunity to produce successful Irish brands is stifled. Figure 5.87 displays the findings.

Figure 5.87 (Recoded) Ireland’s reliance on FDI

(Recoded) Ireland relies on foreign direct investment to such an extent that, aside from a few exceptions, it cannot produce its own internationally renowned brands



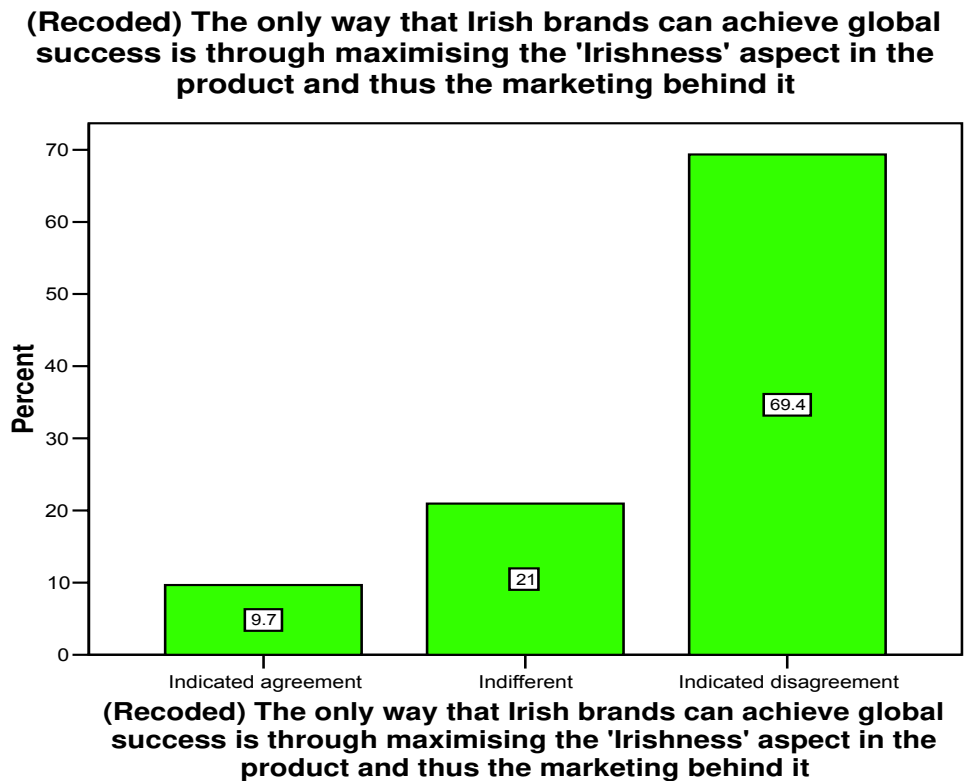
(Recoded) Ireland relies on foreign direct investment to such an extent that, aside from a few exceptions, it cannot produce its own internationally renowned brands

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There is agreement by almost half the sample that Ireland does rely on foreign direct investment such an extent that it makes producing successful Irish brands difficult. The other half of the sample is split in equal percentage between those at that disagreed and those that were indifferent, 25 per cent each.

The final statement relates to the country of origin effect (COO). This endeavoured to gain insight into respondents attitudes towards the Irish COO effect and whether or not maximising the ‘Irish ness’ aspect of a brand was the only way global success could be achieved by Irish firms. The responses are illustrated in Figure 5.88.

Figure 5.88 (Recoded) COO effect



Although some successful brands adopt a COO effect as a key component of their brand identity for example Boru Vodka, others have enjoyed multinational success without relying on a COO effect to push the brand, for example, Slendertone. This represented in respondents’ attitudes towards the statement, 69 percent of the sample

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disagreed with the statement and only 10 per cent agreed. This indicates that most respondents think that international success can be achieved without having to focus on any Irish COO effect for the brand.

This concludes the findings and analysis directly relative to the research objectives. The chapter will now move on to analyze some key areas of the survey relative to the corporate level. This analysis is consistent with a more general objective of the research which in fact relates to all of the research objectives in total and can be described as gathering data into general Irish company branding activity. The questions used for this analysis were therefore targeted at gathering data from the business level, questions 1, 3, 5, 7, 8 11, 12, 13, 20, 21, 22, 23 and 24. Cross tabulations of these questions produced some key findings which will now be illustrated and explained. The first of these is shown in Figure 5.89

Figure 5.89 Cross tabulation – Bureaucracy / Number of brands

Too much bureacracy in the company (i.e red tape) * (Recoded) Number Of Brands Crosstabulation

% within (Recoded) Number Of Brands

		(Recoded) Number Of Brands			Total
		1 brand	2-10 brands	11+ brands	
Too much bureacracy in the company (i.e red tape)	strongly agree	15%	13%	27%	16%
	agree	26%	16%	45%	24%
	neither agree nor disagree	11%	15%	13%	27%
	disagree	48%	26%	16%	45%
	strongly disagree		11%	13%	18%
Total		100%	48%	53%	9%

Question 1 was cross tabulated with several questions in order to determine if the number of brands a company owns or manages had a mediating effect on some key areas of their brand management and overall business environment. These cross tabulations with provide some interesting findings and insight into the business activity of the companies sampled.

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Question one was cross tabulated with question 7 and this is shown in Figure 5.90. The analysis shows that bureaucracy or red tape is more of a restricting factor for branding activity in companies with many brands, than smaller companies with only one brand. The next table shows question one cross tabulated with question 11.

Figure 5.90 Cross Tabulation – BCS / Number of Brands

BCS Recoded * (Recoded) Number Of Brands Crosstabulation

% within (Recoded) Number Of Brands

		(Recoded) Number Of Brands			Total
		1 brand	2-10 brands	11+ brands	
BCS Recoded	Yes	30%	40%	45%	38%
	No	70%	60%	55%	63%
Total		100%	100%	100%	100%

Figure 5.90 shows that a greater percentage of companies with several brands also have a BCS more so than smaller companies with fewer brands or only one brand. This shows that there is a greater tendency for companies to adopt a BCS of some type and subsequently adopt a focus on branding. This is further supported by the correlation analysis shown below in Figure 5.91.

Figure 5.91 Spearman’s Rho correlation

Correlations

		Number Of Brands	Company Size recoded twice
<i>Spearman's rho</i>	<i>Number Of Brands</i>	<i>Correlation Coefficient</i>	1.000
		<i>Sig. (1-tailed)</i>	.
		<i>N</i>	71
	<i>Company Size recoded twice</i>	<i>Correlation Coefficient</i>	.265*
		<i>Sig. (1-tailed)</i>	.019
		<i>N</i>	62

*. Correlation is significant at the 0.05 level (1-tailed).

The number of brands increases as company size increases and this observation can be verified using Spearman’s Correlation Coefficient. The results show, at the 95 per

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cent confidence level, that there is a positive relationship between company size and number of brands, that is, as company size increases, so does number of brands.

The next cross tabulation using question 1 and question 12 is illustrated in Figure 5.92. Brand positioning was shown to be the second most popular strategic branding activity by companies in the sample. This analysis shows companies with several brands use brand positioning as a key strategic tool more so than companies with one or a few brands.

Figure 5.92

**Brand Positioning / Re-Positioning * (Recoded) Number Of Brands
Crosstabulation**

% within (Recoded) Number Of Brands

		(Recoded) Number Of Brands			Total
		1 brand	2-10 brands	11+ brands	
Brand Positioning / Re-Positioning	yes	46%	53%	64%	52%
	no	54%	47%	36%	48%
Total		100%	100%	100%	100%

The next analysis focused on question 11 relating to BCS statements. The analysis cross tabulated this question with questions from relating to other branding to determine if utilisation of a BCS reflects their branding activity in other areas of the business.

Figure 5.93

**None of the above (N/A) * BCS Recoded
Crosstabulation**

% within BCS Recoded

		BCS Recoded		Total
		Yes	No	
None of the above (N/A)	yes	8%	15%	13%
	no	92%	85%	88%
Total		100%	100%	100%

Figure 5.93 shows that companies who have a BCS utilised strategic brand activities more so than companies who do not have a BCS. The indication here is that companies who have a brand focus, epitomised by the fact that they have a BCS, are more likely to actively undertake strategic branding activities, than those that do not have a BCS. Of those that do not have a BCS, 15 per cent also did not undertake any strategic branding activities. However, this figure drops to 8 per cent, for those that do have a BCS.

Similarly, for those companies that have a BCS, a greater percentage used brand positioning as a strategic tool, than those who do not have a BCS.

Figure 5.94

**Brand Positioning / Re-Positioning * BCS Recoded
Crosstabulation**

% within BCS Recoded

		BCS Recoded		Total
		Yes	No	
Brand Positioning / Re-Positioning	yes	63%	55%	58%
	no	38%	45%	42%
Total		100%	100%	100%

Figure 5.95

**Bias against changing strategies * BCS Recoded
Crosstabulation**

% within BCS Recoded

		BCS Recoded		Total
		Yes	No	
Bias against changing strategies	strongly agree		15%	9%
	agree	33%	28%	30%
	neither agree nor disagree	8%	20%	16%
	disagree	54%	35%	42%
	strongly disagree	4%	3%	3%
Total		100%	100%	100%

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In addition, of those who indicated that bias against changing strategies was a key factor in restricting their brand growth, there was a 10 per cent difference between companies who have a BCS and those that do not. Companies that do NOT have a BCS agreed that bias against changing strategies was more of a restricting factor in developing their brand than companies that DO have a BCS.

When question 11 regarding BCS was cross tabulated with question 7k regarding organisational culture, there was an even greater difference to be seen.

Figure 5.96

The organisational culture in the company * BCS Recoded Crosstabulation

% within BCS Recoded

		BCS Recoded		Total
		Yes	No	
The organisational culture in the company	strongly agree		25%	16%
	agree	21%	23%	22%
	neither agree nor disagree	4%	20%	14%
	disagree	58%	33%	42%
	strongly disagree	17%		6%
Total		100%	100%	100%

Companies that do not have a BCS agreed that the organisational culture in the company was more of a restricting factor in developing their brand than companies that do have a BCS. In total 47 per cent of companies without a BCS agreed that culture restricted their brand activity, whilst only 21 per cent of companies with a BCS agreed with the statement.

Finally, the difference is shown again in Figure 5.97.

Figure 5.97

Importance of building brand to company * BCS Recoded Crosstabulation

% within BCS Recoded

		BCS Recoded		Total
		Yes	No	
Importance of building brand to company	highly important	96%	78%	84%
	somewhat important	4%	23%	16%
Total		100%	100%	100%

Ultimately, companies that have a BCS place more importance on branding than those that do not and this can be seen in the previous cross tabulation. Companies that have a BCS felt that brand building was more important to their company than companies that do not have a BCS. 96 per cent of those with a BCS thought brand building to be ‘highly important’ compared to 78 per cent of those without a BCS.

5.10 Key Findings from Phase One Research Summarised

It has been noted earlier in this chapter, that the analysis for the research is on two levels. The first relates to analysis at the corporate level including profiling the company characteristics, and gathering general data into the company branding activity. The second relates to gathering data on the personal level from those responsible for brand activities on general branding issues and brand development in an Irish context.

For the purposes of clarity and brevity, the key findings from this chapter will now be summarised

Sample profile findings relating to company size, location, age and brand management structure.

- Respondents came from a variety of roles accountable for managing the brands in their respective company – most brands are managed by the marketing dept. The defined role of ‘brand manager’ is prevalent but not heavily represented.
- The longest duration for any position held in the sample is 3 to 4 yrs. Second to this is 1-2 years.
- Medium sized companies are most represented (that is, those between 50-100 staff). To clarify the degree of difference, SMEs have a higher representation than large companies, by nearly 2:1
- The majority of brand managers were from large companies whereas the majority of marketing managers were from SMEs.
- With regard to company size, there was a large degree of variance. The sample included sole traders right up to large companies with over 10,000 employees.
- The mean company size is 747 employees; however the sample is skewed towards SMEs. The data does not follow the normal distribution which therefore ruled out several tests of significance which relate to this type of distribution.
- Most companies sampled were relatively ‘young’ i.e. founded between 1980 and 2000. During this 20 year period, 40% of the companies sampled were formed.

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- Two thirds of the companies sampled were registered companies in Dublin city or Leinster.
- Almost 50 percent of the companies sampled manage more than 2 brands and less than 10 brands. The majority of the remaining 50 percent manage one brand. Most companies with one brand are SME's.
- Almost half of all companies have corporate brand same as their product brand(s). Thus, there is an emphasis on corporate branding.

5.10.1 Key Findings from Research Objective One

- *To identify key strategies for creating and developing global brand leadership in an Irish context and to examine attitudes towards the concept of a global brand*
- Respondents were mostly in favour of a deliberate strategic approach rather than emergent but accepted that there must be some element of flexibility to allow for adaptation of strategy where necessary. As a result, most respondents agreed that outcomes of strategy may vary and thus may not always be what was originally intended.
- Most companies have undertaken some type activity to develop their brand(s) in the last two years. The most popular of these being a focus on brand positioning, range branding and line extensions.
- The findings show that the majority of companies have ongoing activities either in house or customer facing, to develop their brands. Only 13% stated that they had not undertaken any brand activities at all in the last 2 years.

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- Two thirds of respondents believe there is a significant difference between an international and a global brand. The main distinct differentiator cited was 'geographic scale'. A minority of respondents mentioned any strategic or operational differences between an international and a global brand.
- 50 percent of companies have an international brand (a brand that operates in international markets) and of that 50 percent, most have only one international brand.
- Most companies do not have a BCS. Those that have a BCS also tend to have an international brand. Strategic implications of this points to a relationship between having a business culture which has a strong focus on branding and the ability to leverage business for that brand in international markets using aids such as a BCS.

5.10.2 Key Findings from Research Objective Two

To determine the key success factors in successful brand development

- There is a marginal indication in the findings which indicates the following; respondents feel they place more importance on building a strong brand than the overall strategic importance placed on branding by their company.
- Respondents felt that major branding key success factors (KSFs) were;
Placing importance of staff,
Having a clear and distinct brand identity,
Avoiding devising strategy according to how consumers perceive the brand image.
- In addition, respondents believed that, the larger the company, the more important a 'focus on employees' to be for the brand development.

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- Respondents also felt that there needed to be a long term focus on the KSFs and that investment in strategy, planning and operations was needed, but they also think that this poses a big problem as in their own positions they are under huge pressure to deliver short term results thus compromising brand benefits.
- Respondents are unsure whether success on a global level automatically means having to focus on the corporate brand. Furthermore, they think that most Irish companies do not compete on an international level and think that not enough time or resources are afforded to building strong brands by Irish companies.

5.10.3 Key Findings from Research Objective Three

To identify obstacles and inhibitors to creating successful brand differential advantage for Irish companies and identify strategies to overcome these

- The factors that restrict branding activity within the companies sampled were a combination of;
 - o Pressure to compete on price
 - o Increase in competitors
 - o Diverse range of media
 - o External industry regulations
 - o Pressure to invest in other areas of the company.
- Respondents did *not* think that corporate culture, diverse range of markets, internal bureaucracy or a bias against adapting strategy were key restricting factors in their companies.

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- Moreover, when asked about the most restricting factor, the majority of respondents thought that a lack of finances was the major restricting factor to building a strong brand in the companies sampled.
- Respondents think the increasing intensity of competition is the prime external factor which restricts Irish international brand development.
- Lack of financial and HR support for international launches coupled with insufficient organisational design are the key internal factors which respondents think restrict Irish brand growth internationally.
- Respondents also believe there to be a lack of internal pro active approach to international brand building by Irish companies.
- In sum, these responses depict a very difficult picture for Irish brands as the findings show they lack financial support for brands, they are under short term performance pressures, they face increasing competition and are forced to compete on price thus eroding the opportunity for differential advantage and or financial investment in brand building

5.10.4 Key Findings from Research Objective Four

To examine attitudes from Irish brand managers' perspective, regarding Irish brand development internationally

- Respondents generally concur that the reliance on Foreign direct investment has stifled Irish international brand growth, but they also have mixed attitudes as to whether large scale international success should be the ultimate goal for an Irish company in the first place.

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- They also think that Irish brands 'sell out' once they do grow internationally, but they do not agree that the only way to achieve international success is by maximising the 'Irish-ness' aspect.
- Moreover, they do not think Irish culture is of a conservative nature that it is inconceivable that Irish companies could aggressively push brands into international markets.

5.10.5 Some Additional Key Findings

- Companies that have a BCS have a greater focus on branding activities and tend not to be restricted as much by key internal factors in comparison with companies that do not have a BCS.
- Companies that have a BCS felt that brand building was more important to their company than companies that do not have a BCS
- Smaller companies tend not to have a BCS and undertake less strategic activity. There is a greater focus on strategic brand activity amongst larger companies than in smaller ones.
- Internal restricting factors such as bureaucracy, corporate culture and bias against changing strategies are more prevalent in larger companies more so than smaller companies. Yet, smaller companies, although being more flexible, appear to place less emphasis on brand building. This is epitomised by their tendency not to have a BCS.
- There is a positive correlation between increasing company size and increase in number of brands

5.11 Introduction to Interview Analysis

This section of the analysis will focus on the data from the research interviews conducted with brand managers. The findings from the phase one survey formed the basis for discussion at the interview stage. The analysis of the interviews will be structured around key themes which hinge on the objectives of the research. Several sub themes are related to each objective and they have emerged both from the literature and from the findings from the survey. The themes chosen for analysis were those most prevalent from the survey findings.

It is important to note here that the purpose at this stage is not to draw conclusions but to analyse the data according to the study themes, and thus according to the literature. The findings here will be interpreted and conclusions will be drawn in chapter six.

As this study is exploratory in nature, the analysis will look to distinguish themes within the interview responses. Often with regards to discourse analysis, a distinction is made between 'local' structures of discourse, and 'global' structures. 'Global' refers to the overall topics and the schematic organisation of the discourse or conversation as a whole. Whereas 'local' focuses on relations between sentences, propositions or turns (Gee, 2005). The degree of analysis for this study will therefore be geared towards the 'global' structure of discourse.

5.12 Analysis Method

The sub themes have emerged from an amalgamation of the literature review in chapters one and two, the contextualisation of the research in chapter three and from the survey findings. These themes are of central importance to the research and are directly related to the objectives of the study. Several sub themes appear under each of the four research objectives. The themes will be outlined and the interview discourse analysed accordingly as the chapter progresses.

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Analysis of the interview discourse is structured as follows. Each sub theme is coded according to its relative objective, i.e. sub theme relating to objective one is coded as 1a. Sub theme relating to objective two is coded as 2a and so on. The text will be analysed in detail and where a pattern of text relates to a sub theme then this will be highlighted and the respondent's relevant speech will be quoted verbatim and included in the analysis.

There are three interviews within the phase two research. These relate to the three levels of international brand development;

- National brands (operational in domestic market only),
- International brands (operational in one or more markets outside domestic)
- Multinational / global brands (operational in several markets across continents worldwide).

The first of these is with a nationally operational brand, Tayto. The interview was conducted with the Marketing Manager of the Tayto brand, Ireland. In order to protect the identity of the respondents, they will be referred to as R1-R3.

5.13 Analysis of Tayto Ireland – Objective One

Research objective one is outlined below:

1. *To identify key strategies for creating and developing global brand leadership in an Irish context and to examine attitudes regarding the concept of a global brand*

The sub themes relating to research objective one are coded as follows;

- **1a** Deliberate Vs emergent strategic style
- **1b** Brand positioning

- **1c** Use of a BCS
- **1d** Brand activity
- **1e** Definition of Global brand
- **1f** Difference between global /international/indigenous

5.13.1 Analysis of Sub Theme 1a

The first theme 1a, relates to ‘deliberate versus emergent’ strategic styles. This area has been discussed earlier in chapters one and two. The first reference to this theme is in the interview transcript where R1 mentions that Tayto ‘sat back’ when Walkers entered the market, ‘*So,,like yeh,,and Walkers have only been in the market, what,,,seven years now, at this point. So...I suppose,,,,the Achilles heel was that they sat back, Tayto sat back,,,,ehhm,,,and was complacent. You know,,,*’. This phrase would relate to an emergent style of strategic management by the fact that R1 noted the complacency and relative delay in reacting to Walkers entry into the market.

R1 then refers again to this theme when discussing the processes in Tayto for strategic development. This reference relates to a deliberate strategic style as R1 describes the process for strategic development as relatively formal and deliberate in nature. Having intentional and integrated plans for brand development.

‘What we do is, the company as in the directors would devise a business plan and obviously I’d be involved in that because marketing is such a core element of our business but, the directors then would agree a business plan for the next five years and three years and then they would go back to one year then and have a lot of detail and I’d develop then the marketing plan in conjunction with the category manager who works with me on the trade side, so I’d draw up the marketing plan for the next three years and the next year, essentially, which is very detailed then but it has to fit in with the overall business strategy. Where we’re moving the brand to, and what we need to achieve as a company.’

R1, when asked directly about Tayto’s strategic style responds by saying it is an amalgamation of the two, deliberate and emergent. This therefore allows for control

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over operations but ensures the company is flexible enough to adapt to external market or industry conditions when necessary. For example, R1 states that deviations from strategy do occur but are very tactical in nature. This shows a level of control even when strategy has to be emergent due to extenuating circumstances.

'I'd say deliberate but, we are flexible as well in that sometimes we have to react to competitor activity at times. We will deviate from strategy, but its very tactical. Or we might, I suppose we are influenced by what happens in the market, competitor and also consumer. Say I dunno, something blows up about pack sizes or something in the media and they start listing out everyone who's in 50gram king size packs of crisps. That obviously might impact our decision to fast track reducing pack sizes. We're still very close to what's happening out there, but we'll have a plan and we're not so rigid that we'll go, oh, 'well it says it's not happening until November 2007' instead, we'd fast track that, so that's coming up. So we do that, yeah.'

When referring to the decision to run with a particular ad campaign, R1 again makes reference to Tayto's strategic style. R1 stresses the importance in taking time to enforce a strategy correctly, which relates to a deliberate style, rather than bowing to the need to act quickly, if it is not right for the brand in certain situations;

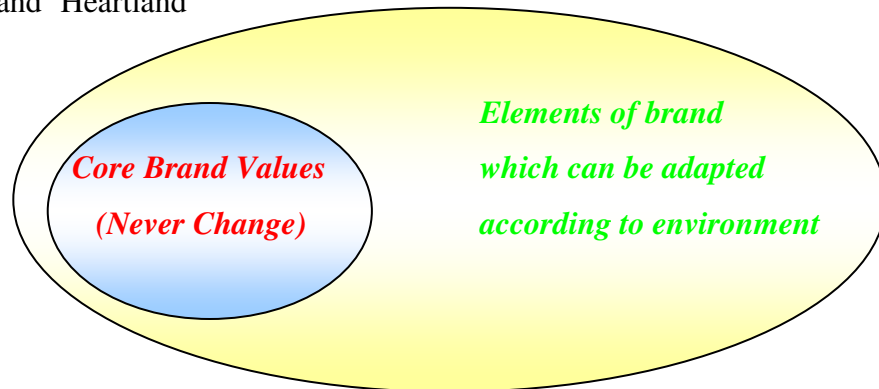
'..But you know it's definitely worth taking your time, like before I joined there was another concept chosen for an ad as well and I didn't think it was the right thing to do and I said it to the MD I said no, I really don't think, I think we should take our time I think we should go back and research this more because I don't think this is right for us and we did and we found out that no it wasn't right. So it just shows that you need to take time with these things, don't rush them you know. When you're spending so much money on erm., producing an ad you have to be 100 per cent right'

When presented with the survey data which found that most respondents were in favour of a deliberate strategic approach rather than emergent, R1 fully agrees. Furthermore, R1 states that most companies would agree with this and that all Irish companies should have a deliberate strategic approach, *'I agree with that. That is exactly and I think everyone would have to be the same. Even if you have a strategic approach (and God I hope most Irish companies do!) otherwise I think they're not gonna do very well!'*

The next reference to this theme is found where R1 describes how they see the Tayto brand as a core 'heartland' which contains the Tayto brand values but outside of this

are elements of the brand such as ‘healthy option’ which can be adapted to suit environmental instances or changing consumer trends. R1 describes this heartland as having several core brand values which will never change and are essentially what make up the brand. R1 represents this in a diagram similar to the one below;

Figure 5.98 Brand ‘Heartland’



The diagram relates to the deliberate versus emergent theme in the sense that R1 states that the core brand values should never change and therefore represent the deliberate strategic approach whereas the outer elements of the brand allow the brand to be flexible and adapt to evolving consumer changes thus representing the emergent strategic approach. The reference to deliberate strategic approach is exemplified by R1’s response that brands should ‘*stick to the knitting*’. The reference to an emergent style is shown when R1 states that ‘*you need to keep your brand relevant*’.

5.13.2 Analysis of Sub Theme 1b – Brand Positioning

The analysis will now move onto the second theme relating to objective one. This theme is ‘brand positioning’, which has been prevalent throughout the literature and throughout the survey findings. There is a slight reference to how the Tayto brand position when R1 states ‘*in the last two to three years, because we’ve put so much effort into ‘reconnecting’ we call it, with consumers, come back and saying, look, we*

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really value your business, Tayto is always the number one brand, we'll always be number one in Irish people's minds and hopefully palates'.

A more definite reference to Tayto's positioning is made when R1 states that Tayto have looked to re position the brand as a more fun and energetic brand to compete with Walkers and also as a result of new consumer trends. This adjustment in positioning was also used as a strategy to attract younger consumers to the brand. R1 feels the influence of digital media, throughout advertising has meant a necessary change in the brand positioning.

'in order to move the brand forward to I suppose, to em,, I suppose to attract younger consumers because younger consumers were more and more being exposed to Walkers and new brands coming into the market and I suppose the whole digital TV, you know they were seeing UK brands, they were seeing foreign, American brands, and to try and make the brand a little bit more 'fun', em, humourous, give it a bit more, a slight bit more energy, not high energy but just give it a little bit more energy, like it's not kind of ' ahh Tayto, sit back and that's it Tayto' its kind of, 'Tayto, yeh wake up and take notice Tayto are adapting and developing new products.'

Furthermore, R1 states that Tayto was previously associated with individual consumption. However, recently, the company has been attempting to move the brand to identify with sharing. Therefore positioning the brand as a snack for sharing through premium products such as the 'Occasions' range.

'Before, I think Tayto was very much kind of an individual thing, you eat it on its own. But if you were having a group of friends over, you wouldn't necessarily buy Tayto, to put out in bowls and stuff. So we,,obviously through new products and that, we've tried to address that as well, but also through our advertising campaign, and that's the kind of values we're trying to move the brand towards, without losing I suppose the trust and the emotional connection that Irish consumers have with the brand, which Walkers definitely don't have'.

Here, R1 also notes that Tayto position with an emotional aspect which is contrary to that of Walkers and something which the Walkers brand cannot associate with. Nevertheless, although R1 notes that Irish consumers have an emotional connection with the brand, R1 also notes that Tayto have tried to move the brand away from

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solely positioning with a country of origin effect or COO. That is, they do not want the brand to become positioned solely on an 'Irishness' attribute,

'Yeh, I suppose, like a lot of people say to us, like in terms of the research groups we've done, oh Irish, Irish is a big thing. But I think Irish is an element of it. We've tried to move the brands from, y'know, I don't think consumers will continue to buy it just because it is Irish. They'll buy it if it's a really really good product and it fits all their other need states and then they go, 'oh and it's Irish'.

R1 further emphasizes this point by stating, *'Yeh, we don't want to pinhole it as an Irish versus UK Walkers kind of thing.'* Further attributes that Tayto have recently associated with in terms of positioning is health. Through the launch of their 'Honest' brand, Tayto have looked to position as a healthy snack brand also. When discussing this point, R1 states that this was one of the major successes in the brand's history, *'also, I think honest, the launch of Honest was a huge, huge launch for us, you know really erm,,,strongly supported as well the healthier range and we were the first to do that in the market. So it was a great coup for Tayto, a great coup, to be associated with 'healthier'.*

R1 also notes that there have been some mistakes and confused positioning in Tayto history too. An advertising campaign that was 'bizarre' and did not relate to any Tayto brand attributes was considered to be a failure and had to be 'pulled' according to R1. The campaign was based on relating potatoes and Inca tribe set in Chile. R1 admits that the advertising was confusing and therefore the positioning was inconsistent and unclear.

As noted, with relation the brand positioning theme, Tayto have enjoyed success and had notable failures. However, R1 still feels that Tayto are not in an ideal position in consumer's minds. How they are positioned according to competitors is not the 'ideal', *'At Tayto, what consumers believe about the brand now isn't the ideal'*. R1 does believe however that a brand can adopt different attributes for positioning based on how the consumer or environment evolves. This is highlighted in R1's description of the brand 'heartland' described earlier in this chapter.

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Finally, moving away from positioning relating to Tayto, with regards to the survey findings, R1 was asked what they felt the term 'global brand' meant. R1 responded that a global brand was one that had the same '*feel and look*' to it. This would therefore relate to R1 believing that a global brand should have consistent positioning across world markets. In addition, when informed that the survey findings showed that 13 per cent of respondents had not undertaken any brand activity, not even brand positioning, R1 felt that this was due to '*lack of time and resources*' on behalf of smaller companies. R1 believed that small companies are more concerned with operations and manufacturing than marketing or brand strategy.

5.13.3 Analysis of Sub Theme 1c – Use of a BCS

The third sub theme relating to objective one is the use of a BCS. This again was a prominent theme in the literature and a theme which produced some key findings from the survey. With regard to this theme, R1 was asked if Tayto have a BCS or similar document. R1 responded that the company does not have a document that they call a BCS but they do have a very clear idea of the brand personality and identity '*because we do so much research*'. Furthermore, R1 does believe that Tayto have consistent communications and that everyone should be '*working on the same platform*'. Providing an example of this, R1 states that a document is provided to agencies and PR people with information as to what the brands stands for, '*For example we had a new agency in last week and they don't know anything about our brand because they're from the north and I will send them that document saying this is the gamut of our brand, this is what our brand stands for this is what it means, so that they can develop a design that would be applicable*'.

With regard to the finding that companies who had a BCS also tended to have international brands, R1 felt that this was due to expertise. In particular expertise in the company to have the initiative to produce and implement a BCS as a key function of strategy and as a result have the expertise to actively pursue international

development, *'maybe because they have the expertise to even go and do it and set it up, like to develop a market'*.

5.13.4 Analysis of Sub Theme 1d – Brand Activity

The fourth theme relating to objective one is brand activity. The brand activity theme was heavily discussed in chapter one specifically and was represented specifically by question 12 in the brand survey. Brand activity relates to any form of range branding, line extensions, umbrella branding, acquisitions, licensing, re branding, or brand positioning. Within the interview text R1 discusses aspects of this theme on several occasions. The first of these is in relation to Joe 'Spud' Murphy's (the founder of Tayto) buyout of his nearest competitor King crisps in the nineteen seventies.

The next reference to brand activity is found where R1 talks about the launch of the Honest brand which would come under the range extension category and is therefore a range extension of the Tayto brand. In addition, the launch of the 'Occasions' brand is also range branding activity and thus is a further link to the theme, *'we developed new products called Tayto 'Occasions' and essentially they are premium, you know the bigger bags, thicker crisps, more exotic flavours. I think that is going to show in time that that was a key milestone for Tayto'*.

R1 then makes reference to umbrella branding undertaken by Tayto. This strategy was implemented in order to incorporate the LFC brand which Tayto had out at the same time as their Honest range. The LFCs range was similar to the Honest brand in that it was also associated with a 'healthier' attribute. The decision was made to move the LFC brand under the umbrella 'Honest' brand range and therefore amalgamated the brand under the Honest portfolio, *'we also had LFCs out in the market at the same time but then we thought, maybe honest is our 'umbrella' maybe healthier in the consumer's mind because there was huge awareness of Honest after 6 months'*. Although this strategy as R1 notes has been a success, R1 also points out

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that there were numerous brand activity failures. R1 highlights line extension flavours of the Tayto 'Snax' and 'Chipstick' brands in particular,

'there was a number of line extensions, flavour extensions too, to Snax and I think they had ehm,,to Snax I think there was a,,err,,I can't even remember what it was. I know there was chicken chipsticks and there was Snax and there was barbeque Snax and they bombed. They didn't do well at all, they had to be pulled. We also launched actually just before I started here, we launched, (I remember tasting them here) it was an extra cheesy Tayto, flavour extension, which was just a really strong cheesy Tayto and again, it didn't do anything'.

R1 discusses another aspect of the brand activity theme. This is in relation to the sale of the right to the Tayto brand to a company in Northern Ireland for only two hundred pounds. This has had a major impact on the growth of the Tayto brand in Ireland ever since and the brand has been prohibited from operation in the UK ever since the sale. R1 states that a buyout of Tayto NI would not be possible currently as they are a quite a large company, thus putting the reason down to 'cost'. Furthermore R1 states that the only way that Tayto could operate internationally is if they '*bought the license back*'.

Finally, R1 states that brand activity in terms of line extensions and range extensions is the only way that Tayto could grow the brand in a saturated market, as they are inevitably prohibited from international development as mentioned above,

'How do we grow our volume? We can't grow it in the Irish market much more, its near saturation, so how do we do it? Do we go into other markets geographically or other sectors, you know, how do you grow your business. Other sectors like, I suppose Tayto would have permission to go into other categories. They are areas we look at all the time, how do we grow our business given that we are restricted geographically?'

5.13.5 Analysis of Sub Theme 1e – Definition of a Global Brand

The next theme relates to the definition of a global brand, notably a grey area in literature and a theme discussed at length in chapter two. When asked what the term ‘Global brand’ meant to R1 the response centered around the strategic element of international branding relating to the standardization versus adaptation of operations debate.

‘I suppose you can you now modify it by market and Guinness probably do, in fact I think they do modify their ad campaigns by market. But em,,,I would see that is is a global icon, but I suppose that everyone probably has the same ideas about the brand except if I’m in Australia I know what Guinness stands for and it’s the same values as what I know as someone in Ireland.’

R1 does feel that operations will vary depending on market but also thinks that for a global brand the brand image must remain the same across markets.

5.13.6 Analysis of Sub Theme 1f – Difference Between Global / International / Indigenous

This theme therefore centers upon respondents’ beliefs about the differences or indeed commonalities between the three levels of brand growth discussed in chapter four.

When asked to comment on the findings from the study R1 immediately flagged this particular theme as one of importance. Rather than discuss the differences between international and global brands, R1 felt of more importance was to note the difference between indigenous brands and international brands. R1 stressed a huge gap between these two levels of brand growth,

‘I think that there are actually huge differences between an indigenous Irish brand and an international brand because if you are managing an international brand you are not going to have a lot of input into it, you know, essentially you’ll be given the marketing plan, you’ll be given the advertising campaign. I’ve seen it with a lot of companies. You’ll just be told, there you go and it might not be adapted for your market or it might be but essentially you’re just given the whole thing and ‘there you go, implement’. Whereas

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here, everything is done from scratch. So its tailored a lot more. I think you have a lot more flexibility'

Market size was also a factor which R1 felt affected the difference between the three stages of brand development. R1 gave the example of the Irish market compared to the US market, stating that it was more likely that the small size of the Irish market would mean more Irish companies should be operating internationally. Whereas, in the US, the large scale would mean that many companies would remain indigenous,

'Well I would've thought that the size of the Irish market would mean that more Irish companies should be exporting, because it's a limited size. Whereas say you are in the US, you probably never need to export because there is such an amazing market there for you. So I would think that the size of our market would force people'.

5.14 Analysis of Tayto Ireland - Objective Two

2. To determine the key success factors in Irish brand development.

Sub Themes;

- **2a** Importance placed on branding by Irish companies
- **2b** KSFs identified from survey (placing importance of staff, having a clear and distinct brand identity and avoiding devising strategy according to how consumers perceive the brand image)
- **2c** Additional KSFs identified by respondent
- **2d** Paradox of Short term pressures Vs long term brand investment

5.14.1 Analysis of Sub Theme 2a – Importance Placed on Branding by Irish Companies

When discussin Walkers entry into the Irish market, R1 notes that Tayto became complacent and didn't invest in marketing, therefore not placing importance on

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branding in order to counteract Walkers, stating that Tayto, *'didn't take the threat of Walkers seriously'*.

'I suppose,,,,,the Achilles heel was that they sat back, Tayto sat back,,,,ehh,,,,and was complacent. You know,,,,didn't invest enough in marketing,,,,didn't invest enough in the consumers or the trade customers and essentially didn't need to'

R1 continues to tell how Tayto had to place importance in branding in order not to lose any more market share to Walkers. This investment has subsequently proved successful for Tayto, *'but part of Tayto's success I suppose and how we managed, like, we put a huge amount, I suppose in the last, like I'm here nearly three years now in January. In the last three years we've put a huge amount of investment into marketing'*.

Directly related to Tayto's recent focus on branding is the brand ownership by C&C an Irish company which R1 notes as the *'brand masters'*, they have a reputation for placing a huge importance on branding and brand development. In fact, R1 believes that they may be *'the most respected brand, company, in a lot of respects, in the country'*. The support for the Tayto brand from C&C is undoubtedly strong. However, when discussing the possibilities for international development of the King brand, R1 notes that considerable investment is needed and therefore it would be a big decision to place such importance on this particular brand in terms of growing King internationally, *'it's a huge job, huge challenge and you need support and money to do that. To date we haven't had that support. It doesn't mean it won't happen in the future.'*

Whilst discussing the recent takeover of the Tayto brand by new owners Largo foods, the importance placed on brands by Irish companies is highlighted by the very fact that Largo foods paid €63 million for the Tayto and King brands. Furthermore, R1 states that the managing director of Largo is *'100 per cent behind letting them grow and fighting the Walkers battle'*.

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Later in the interview, when discussing the survey findings, R1 stated that the importance placed on branding could vary with company size. For example, R1 states that time mediates the importance smaller companies place on branding,

'I can imagine, that if you were a very small company. I know myself, like if I set up my own company making jams or something like that. You would only have a certain amount of time to put into marketing and to put into thoughts about the brand and to be honest with you, as well, I've seen like a lot of people I know, small companies, like mostly services, and them not having a clue about marketing, really not having a clue. Kind of thinking that marketing is an unnecessary expense you know?'

Finally, with regards to this sub theme, R1 holds the view that not enough Irish companies place importance on branding. R1 states that there is a lot of marketing people in Ireland nevertheless, *'so it's just to recognize how important marketing is. I'd love to see more, fmcg obviously do, but I think there are still a lot of Irish companies that don't recognize marketing.'*

5.14.2 Analysis of Sub Theme 2b – KSFs Identified from Survey

Theme 2b focuses on the key branding success factors which were the main findings from the phase one survey. These are

- Placing importance of staff,
- Having a clear and distinct brand identity
- Avoiding devising strategy according to how consumers perceive the brand image

These themes were posed in a question asking the respondent if they had any comments regarding the findings. R1 specifically focused on the ksf of 'avoiding devising strategy according to how consumers perceive the brand image' highlighting the importance of this for brand managers. R1 agreed that strategy should not be devised according to brand image and further added that in Tayto's situation, *'what consumers believe about the brand now isn't the ideal'*. Therefore stressing that Tayto strategy should not be devised according to their current brand image.

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Yet, R1 does acknowledge a situation where there is the possibility for devising strategy according to brand image, if the brand has a *positive* image. R1 second guesses her opinion here as she reconsiders her original agreement with the statement. She concludes that there is an argument for devising strategy to reflect your positioning to consumers. She states however that this could only work for *'certain products in certain markets'*.

An additional KSF which R1 felt was hugely important for the development of brands is the ability to remain 'true' to the brand values, whilst developing your brand as the market evolves, *'essentially I do think that a brand is a heartland and I agree that they should stick to the knitting but I think you can add layers to the brand and make them more relevant to consumers. You need to keep your brand relevant'*.

5.14.3 Analysis of Sub Theme 2d – Paradox of Short Term Pressures Vs Long Term Brand Investment

The final sub theme relating to objective two relates to the short term pressures versus long term brand investment paradox. This is a major theme in branding literature and the findings from the survey show that it is an important issue amongst practitioners. R1 first makes reference to the issue offering *'lack of time and resources'* as a key symptom of management being under short term performance pressure,

When discussing the paradox between producing branding results in the short term and investing funds for long term brand development, R1 agrees fully that this is *'a huge problem'* for practitioners. R1 states that there is a constant battle for funds between investing in the short term and investing long term. The contrasting difference in responsibilities in Tayto is shown when R1 mentions that she must think long term about the brand *'I obviously want to have Tayto around in another 50 years time'* whereas the category manager, *'he's looking at next week'*.

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With regard to balancing budgets and this theme, R1 concedes that unfortunately more of the money is *'moving towards the short term'*. This is highlighted further when R1 states,

'In terms of supporting the brand for long term we still do that, but I can see it moving and moving. It probably would've been maybe years ago 70/30 per cent its now probably 50/50 short term/long term and I'll fight to make sure that it doesn't go 60:40 against the brand for the long term because I think you need to continually support the brand for the long term. It's a huge challenge for companies with limited budgets, a huge challenge'

5.15 Analysis of Tayto Ireland - Objective Three

To identify obstacles and inhibitors to creating successful brand differential advantage for Irish companies and identify strategies to overcome these

The sub themes relating to this objective are outlined below;

1. **3a** Major restricting factor to brand development – Finance
2. **3b** Further restricting factors to brand development - pressure to compete on price, increase in competitors, diverse range of media, external industry regulations and pressure to invest in other areas of the company.
3. **3c** Internal factors - Lack of financial and HR support for international launches coupled with insufficient organisational design

5.15.1 Analysis of Sub Theme 3a – Major Restricting Factor to Brand Development – Finance

The first sub theme relating to objective three centres on finance or lack thereof, as a major restricting factor to brand development. This was a key finding from the survey. Obstacles and inhibitors to brand development were discussed in chapters one and two, and from the survey the factor which respondents felt had the biggest affect on brand development was finance. This theme is also referred to several

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times by R1 in the interview data. The first reference to the time is with regards to the main reason why Tayto are restricted from growing their brand internationally and that is funds. R1 states that Tayto would need to 'buy back' the license to operate the brand outside of Ireland and the reason they have not done is due to funds.

In a similar vein, the same reason is given by R1 as the main factor for the restriction on the King brand to grow internationally, *'like in the UK King is registered and America and places like that. But, we would need a lot of money, like we would need support, we would need to start advertising, we would need to do it seriously if we were going to do it'*. R1 then goes on to describe the battle for brand investment short term versus long term and states this as a major restricting factor for brand development as more and more money is *'moving towards the short term'* rather than investing in brand growth long term.

Despite the emphasis on new venture creation in Ireland and the strength of Irish economy, R1 believes that the main reason that Irish brands suffer from a lack of international success is due to lack of funds and this belief is consistent with the survey findings, *'I think its lack of funds number one.'* Nevertheless, R1 believes that funds are not the sole reason, there are other reasons too and these will be highlighted later in the chapter.

R1 shares concerns over the opportunity for small companies in a small market to grow internationally. R1 believes that funds primarily restrict the opportunity for growth but by the very nature of being in a small market, which in turn restrict the opportunity to grow and develop funds. Therefore the question becomes how can small companies develop more resources whilst in a restricted market? R1 describes this as a *'chicken and egg'* situation further highlighting the difficulties smaller Irish companies face with regards to finance as the major restricting factor for their brand development.

5.15.2 Analysis of Sub Theme 3b – Further Restricting Factors to Brand Development

Having just focused on the main references in the interview data regarding finance as the main inhibitor for brand development, the analysis will now look at some additional factors which were significant from the survey findings. These factors are derivative from the literature and have been discussed in chapters one and two. From the factors given in the survey the following have shown to be several other factors which restrict brand development.

- Pressure to compete on price,
- Increase in competitors,
- Diverse range of media,
- External industry regulations
- Pressure to invest in other areas of the company

Several references to these themes are made by R1. R1 talks about Tayto's complacency when Walkers entered the market. It was only when the new competitor (Walker's) started to steal market share from Tayto did Tayto react. This factor therefore prompted Tayto into brand development rather than act as a brand restrictor, *'it wasn't until Tayto woke up and said God,, Walkers are after taking 15 share points off us, we better start do something about this!'*.

R1 then refers to external regulations as a restricting factor for brand development. This is when describing the reasons why Tayto cannot operate outside of their home market due to the Tayto N.I holding the rights to the brand outside of Ireland. R1 states that Tayto were *'forced, by legal restrictions'* when asked if it was a conscious decision not to grow the brand internationally. Therefore this is a clear example of the brand being restricted in growth opportunities directly by external industry regulations. The degree to which this affects the company is further highlighted when R1 states that Tayto can't operate internationally but King can in certain jurisdictions, but, *'its all quite complex'*.

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On a broader scale, the pressure to invest in other areas of the company is characterised by the very fact that Tayto have been sold to Largo foods. When explaining the reasons behind this sale R1 states that the brand owners C&C wanted to concentrate on other areas of the business. Selling Tayto allows for investment into another division of C&C's brand portfolio, therefore the growth of the Tayto brand has been affected by the pressure to invest in other areas of the company, a notable finding from the brand survey.

The pressure to compete on price was a notable aspect of prohibiting brands described in the literature and also shown as a prominent finding for Irish brands in practice. R1 embellishes this on the effects of this brand restricting factor when discussing the competition with rival brand Walkers. In the snacks industry, R1 notes price promotions as a key strategic element and stresses that it is in fact a tactic which Tayto have often been forced to employ in response to increased competition. R1 agrees fully that pressure to compete on price in the form of price promotions dilutes the brand image and gives a perception of the brand as being cheap;

'When I started here first I was appalled at the number of brand promotions and even for our new products. I remember we were launching Honest, that was the big one and it was going to be launched as a more premium healthier option and immediately at the table all the sales guys were like 'right, we're doing promotions straight away' and I was like no no, I don't want a price promotion on this brand and they were like 'get with the programme', 'you have to do a price promotion', they said it was gonna die on the shelves otherwise'

With regards to being forced to compete on price R1 states, *'we have to promote because they're promoting all the time, the consumer expects constant promotion and when I do research consumers say 'I buy whatever is on promotion', so they'll buy us the one week and buy Walker's the following week'*. The degree to which this factor really does affect the Tayto brand is epitomized when R1 concludes that *'it's a big problem for Tayto, a major problem for Tayto.'*

5.15.3 Analysis of Sub Theme 3c – Internal Restricting Factors

Firstly, the findings from the survey data show that the key internal factors were;

- Lack of financial and HR support for international launches
- Insufficient organisational design

The discussion with regard to level of investment required to launch the King brand internationally relates to this sub theme as R1 states that it is a huge job financially and *'to date we haven't had that support'*. However, R1 also maintains that *'it doesn't mean it won't happen in the future'*.

Another aspect of this sub theme was the lack of HR support for international launches. R1 referred to this aspect on a number of occasions as a problem for Irish brands and also as a possible solution to aid international growth. The first reference is with regard to the difficulties in branching out initially. R1 states that *'it's a risk to go International; you have to put someone out there'*. R1 then stresses the need for Irish companies to have more HR support for international launches, referring to help sought from Enterprise Ireland, R1 states;

'Maybe there could be more of that you know. If they could put a resource in or like an expert into that company, to work with that company to develop that market I think that would be more beneficial. Because, I can imagine that if someone said, I'll give you this person, they know this market inside out, back to front, they're gonna help you – fantastic'

R1 then highlights resources, specifically HR resources as one of the main reason why she feels that Irish brands still suffer from a lack of international success. Rather than HR resources in terms of numbers, R1 stresses the need for HR expertise and underlines this as a principal reason, *'lack of resources is important too, like they don't have an expertise, you know that they might have people who can make the product but they don't have the people who know enough about marketing and who have the skills set essentially to do that'*.

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Anecdotal evidence of the benefits of HR support is given by R1 when describing her brother in law's job which is based on international development of the Jameson brand in Sweden;

'Like, my brother in law was sent by Jameson to go and develop Jameson in the Swedish market. It is a huge challenge for him. So a company like that could get a student in who works with someone over there and trains in the brand and now he can go over and develop that market. Its cost effective, minimal risk, there's a person trying to prove themselves from college. So I think it's a great idea. More of those! I think its great'

5.16 Analysis of Tayto Ireland - Objective Four

To examine attitudes from Irish brand managers' perspective, regarding Irish brand development internationally.

The sub themes relating to this objective are outlined below

- **4a** Economic influence on international development.
- **4b** 'Sell out' trend
- **4c** COO effect
- **4d** Irish culture and International development

5.16.1 Analysis of Sub Theme 4a – Economic Influence on International Development

The first reference R1 makes to this theme is when giving a chronological account of the development of the Tayto brand. R1 states that the founder never saw that he may need to expand the Tayto brand outside Ireland and therefore sold the rights for the Tayto brand, *'I suppose he probably never saw that he would need to expand. It was quite inward looking I suppose, Ireland at the time. You know, it was a poor*

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economy and it wasn't set up like it is now'. This reference shows the stark contrast in development between the Irish economy of old and today.

R1 believes that the size of the Irish market would be conducive to international growth. Because of the Irish market being relatively small, in comparison with other markets, R1 states that *'the size of the Irish market would mean that more Irish companies should be exporting, because it's a limited size'*

R1 also agrees that Ireland is a knowledge based economy but doesn't feel that marketing is recognised enough in Irish companies even though she believes there are 'a lot of marketing people in Ireland'. Furthermore, R1 also recognises a trend in Ireland for entrepreneurs, stating that 'there is that culture there', but feels that the Irish government need to 'capitalize on this'.

5.16.2 Analysis of Sub Theme 4b – 'Sell Out' Trend

There have been many instances of Irish companies being taken over and many actively pursuing exit strategies; in a seminal article Lambkin (1994) highlights this trend amongst Irish companies, brands such as Bailey's, Guinness and Jameson as examples. This sub theme is therefore key regarding Irish international brands.

The only reference made to this theme in the interview data is where R1 states that Irish companies could possibly be developing internationally solely to become a certain size which would provide for a better chance of exit strategy.

5.16.3 Analysis of Sub Theme 4c – COO Effect

A theme heavily discussed in chapter two was the country of origin effect many brands employ in order to gain differential advantage in international markets. This is a notable theme in literature and the theme is prevalent in the interview data.

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Firstly, R1 does acknowledge that Tayto does have a coo effect. When describing how consumers feel about the Tayto brand R1 states, *'oh Tayto, yeh its always part of me, I've eaten it for years, my parents ate it' y'know everyone eats it essentially and a very Irish kind of element to it aswell'*.

R1 then goes on to state that Tayto uses the 'Irishness' or coo effect to position the brand, but does not focus solely on the aspect of the brand, *'a lot of people say to us, like in terms of the research groups we've done, oh Irish, Irish is a big thing. But I think Irish is an element of it. We've tried to move the brands from, y'know, I don't think consumers will continue to buy it just because it is Irish'*.

Finally on this theme, when asked whether she felt the King brand could be successful *without* a coo effect, R1 responded positively. This question was asked in order to asses the viability for the King brand in terms of operating internationally and not relying on a coo effect to position the brand. R1 responded that the King brand could be successful without a coo effect as the product was of good quality, *'yeah, King could, more so than Tayto you know, yeah. I think it could. Because it's a really good product'*.

5.16.4 Analysis of Sub Theme 4d – Irish Culture and International Development

There are only a couple of references to this theme in the interview data. R1 firstly makes reference to this when stating that Irish people are *'probably a bit nervous'* about going international. This is contrast to the acknowledgement that there is a strong culture of entrepreneurship and new venture creation in Ireland as R1 states, *'I think in Ireland, the number of entrepreneurs in Ireland is quite high'*.

5.17 Analysis of Tayto Ireland - Objective Five

To develop a set of recommendations for Irish brands seeking to enter new international markets and/or to strengthen their position in international markets

The sub theme relating to this objective is outlined below;

- **5a** Respondent recommendations.

5.17.1 Analysis of Sub Theme 5a – Respondent Recommendations

This objective solely relates to recommendations made by respondents in phase two of the research. Having seen the key findings from the research, R1 made several recommendations for Irish brands seeking to enter new international markets.

The first recommendation relates to incremental growth internationally. R1 recommended that in order to reduce the risk associated with launching internationally, Irish brand should take ‘*baby steps*’ by entering certain areas of one larger market first in order to firstly gain primary knowledge of the market and at the same time limit the risk associated with international growth. The example R1 gives is for Irish companies to move to Northern Ireland as a first step to developing in the UK market.

‘Maybe it’s a question of taking baby steps. If you are in the south of Ireland, going up to the north of Ireland, you know, limiting the risk. We’ve looked at this you know, not necessarily for Tayto but for other brands, if you just look at NI and research NI and give it 6 months, and just give a limited budget to this and see how it performs, evaluate, if not then cut your losses and back in. But I think that’s probably a way for Irish companies to do it, move up north, then they gain confidence they get to know that market ‘ cos you know its quite similar in a retail context and then start to move into the UK’.

The second recommendation R1 makes is to use a test market strategy, this is similar to the baby steps approach but differs in that a test market does not involve a full launch in the desired market and is therefore smaller in scale. The example R1

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provides is the strategy adopted by Bulmers who successfully test marketed in ‘small pockets’ and grew incrementally;

‘Or, a test market. That’s what Bulmers and Magners have done and that was a fantastic success. They went in and just started in Scotland. They did one market up there, then they moved down to London and did parts as one test market. Only then when they gained the confidence and started to build the brand in those two areas have they started expanding into other areas.

They had a good understanding of the UK from their experience in the North. But even then, to limit the risk, they just decided to do test markets in small pockets. So they didn’t go in and go, were going to take the whole UK by storm in one go they limited it.’

On a different note, referring to the culture of entrepreneurship in Ireland, R1 believes that the government should put an even greater focus on entrepreneurship and start ups by examining the level of growth achieved by start ups with a view to supporting smaller companies in the incubation period;

‘The government needs to put a lot of focus onto it. I think they do but a reasonable amount of focus, it could be a lot more. I think in Ireland, the number of entrepreneurs in Ireland is quite low, given that, surely they should be looking at things like, well how many of them are actually in business ten years on. How many are just indigenous or are exporting as well and measure the success based on that. As opposed to saying ‘we have a lot of entrepreneurs’. So there is that culture there, so they should really capitalize on it’.

Furthermore, with relation to the aid provided through state bodies such as Enterprise Ireland, and Bord Bia, R1 believes there should be a greater focus than there is currently, and that the government need to assist smaller companies by possibly providing consultants with ‘the expertise’

‘From the branding point of view – get the expertise. If you have someone there who doesn’t know anything about branding or marketing, even if it costs a little bit more to get someone in or get some of these organizations like Bord Bia who have good people working for them, like, use those people and get as much as you can off them.’

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R1 also recommends schemes such as the one employed by Jameson. As mentioned previously in this chapter, this is a graduate scheme which involves developing the brand internationally; R1 describes this as follows;

'So a company like that could get a student in who works with someone over there and trains in the brand and now he can go over and develop that market. But they are essentially leaving him off to do that. Its cost effective, minimal risk, there's a person trying to prove themselves from college. So I think it's a great idea. More of those! I think its great. I know he wont have as much expertise, as someone who has been in the business a number of years, but he'l maybe throw a different light on how to promote the brand and look at it with fresh eyes and once he doesn't deviate from this core brand and what Jameson is about, and he's quite clear on that. What he can and can't do. There's an option, it's a graduate scheme and I think its great for Irish brands and could be an option.'

This concludes the analysis on the interview data for the Tayto brand. The interview data for the second interview with the brand manager from Bulmers, will now be analysed.

5.18 Analysis of Bulmers – Objective One

Again as with the previous interview, interview two will be analysed according to the research objective themes

5.18.1 Analysis of Sub Theme 1a - Deliberate Vs Emergent Strategic Style

The first reference to this theme is very early on in the interview where R2 states that Bulmers made a conscious decision to take the brand upmarket to portray a more 'premium position'. The fact that R2 states that '*the decision was taken following evaluation*' relates this to a deliberate strategic style rather than emergent.

R2 then makes further reference to the long term vision that Bulmers had for the strategy is saying that it was a 'slow process' therefore intentionally taking time to execute the right positioning for the brand and 'pricing it accordingly', which again would refer to a deliberate strategic style of management. When posed the question directly as to whether she felt that Bulmers strategy was deliberate or more towards emergent, R2, without hesitation stated that historically, the strategy was deliberate. R2 continued by saying that there were certain aspects which would lend to the strategy being described as emergent also;

'Certainly historically I would have thought it was very deliberate I would have thought. With a lot of emergent, like anything you can have one – a very clear strategy and the emergence of strategies or activities will come out'

When prompted that the ideal strategy for Bulmers was a 'mix between the two' R2 replied that she agreed, but also stressed the need for knowledge of '*the brand DNA*' in order to be deliberate with regard to strategic thinking in the first place. She further added that strategy could not just be 'random' because as she noted, '*how would you know if you were on strategy or off?*' Further reference was made to knowledge of the brand DNA and how crucial this is to developing

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strategy as R2 states that if the brand DNA is clearly understood and identified, this *'helps shape the thinking'*

The extent to which Bulmers strategy is deliberate is emphasised by the considered approach they adopt to strategic decisions. Any effort to minimize risk will be taken if possible. With regards to this R2 gives the example that Dunnes Stores can release various extensions under their own brand name and is not going to be 'of consequence'. Whereas if Bulmers are considering a new launch, the brand name will be very visible if they do not succeed and it is for this reason that any further developments are *'very carefully researched'*.

The final reference to this theme relates to a discussion regarding innovation. R2 was keen to stress that innovation was critical to Bulmers brand development but that Bulmers maintained control over the innovation process, this lead to R2 emphasising that it wasn't just innovation that was critical, but *'managed innovation'*. R2 admitted that this was in essence an oxymoron and that managed innovation was contradictory, but R2 stressed that it was the process that should be managed for example Bulmers ensured that they have 'innovation days' a recent one pooling almost 400 ideas. This is a further example of a deliberate strategic style.

5.18.2 Analysis of Sub Theme 1b – Brand Positioning

Again as mentioned at the beginning to the chapter, brand positioning is central to any brand strategy and is a core theme throughout the literature review, and the phase one brand survey. It thus follows that brand positioning be discussed at the phase two interviews. The first reference to this theme is with regard to the positioning of the cider category overall in a societal sense and in terms of branding. cider had previously a very negative image amongst consumers. It was high alcohol sold in large volume packs, so as a result attracted teenagers and those who were price sensitive and wanted to get as much alcohol value for money as possible. R2 states that Bulmers was synonymous with cider and therefore it too had a negative image. The decision was therefore made to move the positioning of Bulmers more

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upmarket and thus the category of cider drinks too. This was in essence a re-position of the brand as R2 states that *'Bulmers was cider was Bulmers'*. So as a result of cider having a negative position, so too did Bulmers.

R2 stresses that this was a slow process and success did not come overnight. The reposition of the brand took time, *'I mean it's a decade,,twelve years in the making'*. Central to the reposition strategy was sponsorships of selected events which consistently communicated a message of quality to consumers. Sponsorship of the GUI cups and shields golf tournament and the Cork Opera house were as R2 states *'unusual for a cider brand'*. Thus in this particular instance, sponsorship was a key element in the re-positioning strategy. This work to reposition the brand then placed Bulmers outside of the cider category then to compete with top lager brands and the non alcoholic drinks market. A long term vision was critical as it would not have taken much for Bulmers to become number one in the cider category, but to compete with Budweiser, Guinness, Carlsberg Heineken showed an investment long term in brand positioning;

'We would see it as we are competing in the non alcoholic drinks market and we compete with other brands. Budweiser, Guinness, Carlsberg, Heineken, we are not competing on a cider basis'

R2 compares the repositioning strategy to that of Kellogg's who *'took themselves out of the breakfast area and into snacks'*.

In terms of international positioning, an interesting point is made by R2 when stating that the brand did not position solely based on a country of origin (COO) effect. The brand was positioned in a similar manner to that of the domestic market but taken to markets firstly where they were English speaking, western culture, and recognition of the category of cider. This is emphasized further when R2 states that the brand is positioned more so on the elements of quality produce, traditional craft, heritage and time, which take the positioning away from the country of origin and more towards

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naturalness, making consumer association with the brand more generic rather than nationalist;

'There's perception of the green rolling hills, beautiful countryside all of these are values which transfer well o our product...because it is about nature, naturalness but could our orchards be anywhere in the world.'

5.18.3 Analysis of Sub Theme 1c – Use of a BCS

The first reference to theme 1c is given when R2 is asked to comment on the findings from the brand research survey. R2 mentions that Bulmers do have a BCS and are re working it at the moment. When posed with the results of the survey and the finding that there were not many companies in the survey that had a BCS or similar document, R2 makes a very interesting point. R2 states that for many small businesses the essence of the brand is often characterized through the founder and therefore in the beginning there isn't anything formal to document the brand values. R2 states that often, smaller companies are *'playing catch up, you know they're catching up with processes while doing'*. R2 mentions that this could be because the essence of the brand and the values are inherent, understood and clear amongst the group of people in the company without ever having to document anything. It is only when the company begins to grow and the brand develops that more formal processes need to be implemented. For example, certain documentation on the brand might be needed to communicate to advertising agencies when the company begins to expand;

'So, I would suspect you know there's probably an element of owner manager, shaping a vision, getting slightly bigger growing pains, formalities creep in. More expertise and resources are required in house, I mean I would imagine, I'm not sure to what scale or logic in the SMEs but a lot of them wouldn't necessarily have in house marketing expertise for example. It's not seen as marketing equals advertising'

5.18.4 Analysis of Sub Theme 1d – Brand Activity

Sub theme 1d relates to brand activity in terms of growing the brand. This covers line extensions, range extensions umbrella branding, range branding, co-branding, brand acquisition and re branding. Chapter two discusses these areas in detail.

Bulmers takes a cautious and considered approach to brand extensions and brand growth. The branding activity is very carefully researched. R2 notes that there have been *'few failures'* due to this risk adverse strategy. Since the eighties, brand extensions have therefore been few. R2 states that the focus was not on the product range but on developing a strong brand through consistent communication of the brand values;

'I mean new product development doesn't sit so easily perhaps not necessarily when there's a brand being built to develop because obviously you are focusing on a brand. As opposed to a product or product range'

R2 also makes the point that it is important to have the resources to support extensions. Furthermore, the extension must *'fit with the brand DNA'*. This is shown by extensions such as the 'Bumers Light' brand and the new 'Bulmers Iced' brand, *'it is very unlikely that tomorrow Bulmer's is going to have a new range of you know, ice pops for example. A logical extension, a refreshing product, fruit flavoured, but not for the Bulmer's brand'*.

5.18.5 Analysis of Sub Theme 1e – Definition of a Global Brand

There are only minor references to this theme in the interview with respondent two however. The first of these is with regard to how Bulmers' international brand Magners could be defined. The brand is in more than fifteen markets and can certainly be deemed an international brand but R2 states the *'global is probably too big a word for us'*. Standardisation for further global growth is an

issue for the company in the future as R2 states that the decision to continue further growth with two brand names for the product is *'a big one'*.

5.18.6 Analysis of Sub Theme 1f – Difference Between Global / International / Indigenous

Bearing in mind the context for the study is Irish the Irish business environment, the difference between indigenous, international and global is relative to the geographic location and the size of the Irish market. This factor is emphasized by the increase in scale of operations needed to grow the Bulmers brand from Ireland into the U.K. R2 notes that there is huge potential in the U.K market for the brand as *'the scale of the market is enormous'*. This is further emphasised when R2 points out that there are approximately *'10,000 licensed premises in Ireland. There are about 15 million in the UK as a whole'*.

The differences between an international brand and a global brand are further stressed with regard to the drinks industry, R2 states that the differences could be vast, in particular cultural differences; *'but how well does Bulmers travel remains to be seen. I mean Spain vs. France vs. Germany each country. The cultural norms are different, the requisites are different, you know a different, a completely different world'*.

R2 advises not to take expansion outside of Ireland lightly, *'it is not I think not getting too sort of carried away or excited by the wonderful idea and brand that perhaps you have but not appreciating the scale of what is out there. I think it is very much caution to be advised'*. It is difficult to build *'full international scale'* states R2 and this cannot be underestimated. Nevertheless, R2 does acknowledge that it is significantly more difficult for tangible fmcg products to grow outside of Ireland in terms of logistics more so than services or virtual products which can *'be sent down a phone line'*.

5.19 Analysis of Bulmers - Objective Two

- To determine the key success factors in Irish brand development.

5.19.1 Analysis of Sub Theme 2a – Importance Placed on Branding by Irish Companies

The first reference to this theme is with regard to the importance Bulmers parent company C&C placed on branding in repositioning the Bulmers brand and subsequently the category of cider overall, *'so, the decision was taken following evaluation to take it upmarket, move it to a more premium position. Via a number of methods, 1. To develop the brand'*.

When referring to SMEs in Ireland R2 states that she does not think that they would have any *'in house marketing expertise'*, therefore supporting the finding regarding importance placed on branding by Irish companies, from the brand survey. R2 then goes on to state that maybe it is not a level of expertise that is needed in SMEs but rather an understanding of the return on investment that marketing could offer. Moreover, R2 also states that it is the marketing function's responsibility to *'demonstrate the tangible contribution it makes to the business'*.

In relation to the assistance provided by initiatives such as Bord Bia to smaller companies, R2 states that a *'shift in focus'* could be needed in terms of focusing more on the brand rather than general production and operations. R2 states that a reason for this lack of focus on branding could be due to *'businesses not believing that they require a function in-house to support a brand or if they do they are not sure how to do it. Or again they don't have the resource that they think they might need'*. This therefore relates back to the point R2 made earlier that there was a lack of understanding more so than a lack of expertise on smaller companies.

5.19.2 Analysis of Sub Theme 2b – KSFs Identified from Survey

These themes were posed in a question asking the respondent if they had any comments regarding the findings. The first and only main reference to this theme is in relation to placing importance on staff as a key branding success factor. R2 agrees with this entirely and states that there has been a shift in the expectations people have from their employer. People expect to be trained, developed and there to be a focus on the individual. This means companies having to place more emphasis on their staff and moreover importance on their staff. R2 states that a company that recognises their staff as more than a ‘commodity’ will attract good people. R2 also adds that this is at all levels, *‘from an operator level through to senior management’*. Furthermore, R2 believes that companies who invest in their staff with *‘non monetary recognition’* will probably get *‘significantly more’* from their workforce. R2 warns however that sometimes companies pay *‘lip service’* to the idea that they place importance on their staff

5.19.3 Analysis of Sub Theme 2c – Any Additional KSFs Identified by Respondent

The only additional KSF mentioned by R2 was accountability. R2 stressed that for all the brand activities, spend must be justified and the return on investment understood and communicated;

‘It is also up to the marketing function to demonstrate the tangible contribution it makes to the business. So, I mean for all of our activities we are accountable for our spend but we are accountable for the return of that spend. So, it is not, at no point is there a situation when we are talking to the marketing director or he is talking to the MD saying we have done such a thing because it is nice to do it for the brand’

5.19.4 Analysis of Sub Theme 2d – Paradox of Short Term Pressures Vs Long Term Brand Investment

This theme has been prevalent throughout the literature but there is only light reference in the interview data from R2. The first reference is to the belief by R2 that when under pressure to produce in the short term, often the first action taken is to ‘*cut the marketing budgets*’ which therefore directly reduces the ability for the company to invest in the long term. R2 emphasises the need to invest long term in such situations but does acknowledge that it is a difficult to do;

‘...and you know we are struggling to make ends meet, to pay the overheads. So, no, you can’t have half a million to go and promote it or whatever or do something. No, we are cutting it. Yet at that time you could argue that is the time you need to be investing in your brand. To remind people, awareness drives volume’

The short term pressures Vs long term brand investment paradox is further evident when R2 gives a hypothetical example of a small manufacturer who wants to ‘*take their brand beyond*’, but at the same time ‘*cannot afford to pay a year’s salary for a marketing manager*’.

5.20 Analysis of Bulmers - Objective Three

To identify obstacles and inhibitors to creating successful brand differential advantage for Irish companies and identify strategies to overcome these

5.20.1 Analysis of Sub Theme 3a – Major Restricting Factor to Brand Development – Finance

Again this theme is central to the area of brand development as ultimately, brands need to be funded. The first reference in the interview data with regard to this theme relates to the decision by the parent company of a brand as to which brand to support in their portfolio. Indeed, many smaller brands are not fortunate

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enough to even have a portfolio of brands therefore this reference is specific to a corporate branding decision. R2 states that the first major challenge for company is deciding which brand to support financially, *'there are the Linden Villages, the Stags, the Strongbows. I think the challenges are investment, which brand do you support?'* The degree to which financial investment is restricted in the retail sector is emphasized further as R2 points out that *'it's a tough business, you know, margins are tight'*.

R2 does agree that lack of finance is a major restricting factor to brand development but stresses that in order to grow the company *has* to invest. Assistant schemes such as fund matching R2 notes are a great help but these still require *'a certain level of investment by the company'*. When this investment cannot be found, often, R2 notes, the company is left with no other option than to 'sell out', as the owner/manager or founder cannot take the business any further. R2 states that raising capital is a significant restricting factor;

'But sometimes, unless it is going to remain an Irish indigenous brand, the next step, who is going to raise the capital. Can one individual raise enough capital to set up a warehouse distribution operation in another market, a sales team, admin staff, and police all that from Ireland. Difficult.'

The challenge of financial investment is summed up when R2 states that *'no company has unlimited funds'*.

5.20.2 Analysis of Sub Theme 3b – Further Restricting Factors to Brand Development

Some further restricting factors to brand development were acknowledged from the brand research survey findings. These were;

- pressure to compete on price
- increase in competitors
- diverse range of media

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- external industry regulations
- and pressure to invest in other areas of the company

There were several references in the interview data to these themes, the first being 'increase in competitors'. R2 states that as a result of Bulmers repositioning strategy, they were now competing against major brands outside of the cider category. This was a direct result of their emphasis on Bulmers being seen as not just a cider drink.

The next reference to the sub theme is with regard to 'external industry regulations' as a restricting factor to brand development. R2 notes that for Bulmers, excise duty for export markets posed a significant challenge and immediately meant increasing prices to cover duty. R2 remembers that there was concern as to how much consumers were prepared to pay, '*no matter how good they think the brand is*', thus R2 stresses that '*economic pressures would have played their part*' in the development of the brand.

R2 also notes, in relation to the pressure to invest in other areas of the company, that there was a strategic challenge for Bulmers with regards the direction in which they took. There was a need to invest in the Bulmers brand but there was also the opportunity to invest in other brand in the Bulmers portfolio such as Perri. Therefore, there was pressure to invest in other areas of the business and key decisions had to be made regarding affording investment.

More positively, with regard to external industry regulations restricting the brand development, R2 points out that as far as she is aware, there are no industry restrictions in terms of licensing for the Magners brand for future international growth, '*Magner's is registered as far as I am aware worldwide. So no, I wouldn't have thought there would be any...*'.

5.20.3 Analysis of Sub Theme 3c – Internal Restricting Factors

The first reference to one of these sub themes is with regard to the lack of ‘financial and HR support for international launches’. R2 uses a hypothetical example of a smaller Irish SME, to emphasise the lack of HR support for international launches, stating that they *‘may or may not have the in-house expertise or could not afford to pay a years salary for a marketing manager’*. Furthermore, R2 states that the organizing the HR support needed for the sheer logistics in developing internationally is challenging,

‘On the ground personnel to service that, be they sales teams, be they technicians for the draft product. The actual scale involved and managing that and putting the systems in place to manage something like that on a global scale can be very challenging’

In addition R2 poses the question...

‘Can one individual raise enough capital to set up a warehouse distribution operation in another market, a sales team, admin staff, and police all that from Ireland. Difficult.’

5.20.4 Analysis of Sub Theme 3d – External Restricting Factors

In interview two, there were several references to these themes. The first is in relation to Ireland’s geographic distance from other markets. When discussing the opportunity for Irish brands to grow internationally, R2 states that caution is needed as *‘geographically we are on the edge of Europe. I think it needs to ... everything ... the strategy for expansion would need to be carefully thought out’*

Again, when the interviewer states that it is ‘not just a short hop across to the UK’, R2 replies *‘absolutely not.....it can’t be underestimated I think’*. Straight

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away, Irish companies face higher transport costs than continental firms, when exporting and again this highlights the difficulty in international development;

'I mean anywhere else in Central Europe you have a road chain, so your freight costs are down; you don't have to get across the Irish Sea. And that straight away is, funnily enough – so if you are France and you are exporting to Holland you can be there in four hours. In Ireland if you are based in Clonmel, you can be in Dublin in four hours. Same timeframe, different geography. So, it adds cost, it adds time and it adds difficulty'.

5.21 Analysis of Bulmers - Objective Four

To examine attitudes from Irish brand managers perspective, regarding Irish brand development internationally.

5.21.1 Analysis of Sub Theme 4a – Economic Influence on International Development

R2 notes that Ireland's economic growth in general has aided the move to a more knowledge based economy enabling more Irish brands to internationalise with 'virtual' or web based products rather than the county's previous reliance on export of manufacturing. R2 notes that,

'So, I think the move in Ireland is becoming towards a more and more knowledge based society. Trading less and less at our cost base, is becoming less competitive with emerging markets like China, like the East. I think we will see a shift more and more from where we were - the skilled workforce, the competitive workforce. To a skilled workforce but on a more knowledge on the basis where we will want to become middle men as a liaison say between Central Europe, you know, I think there will be a shift and a change in how and where we do business'

5.21.2 Analysis of Sub Theme 4b – ‘Sell Out’ Trend

R2 makes the point that often Irish companies simply cannot produce the required investment in order to grow their company to its potential and therefore sell the business or the brand in order to increase the scale of the operations. However, R2 asks that if SMEs are in this situation are they necessarily ‘selling out’ if they take external investment? R2 does not believe that it is a ‘trend’ more so that it *‘just ties into necessity in a lot of cases’*. Moreover R2 raises the point that

‘unless it is going to remain an Irish indigenous brand, the next step, who is going to raise the capital. Can one individual raise enough capital to set up a warehouse distribution operation in another market, a sales team, admin staff, and police all that from Ireland. Difficult’.

5.21.3 Analysis of Sub Theme 4d – COO Effect

This theme relates to the degree to which Irish companies use a COO effect in order to position their brand, either domestically or in international markets and the degree to which a COO effect is important for their brand.

In relation to Bulmers, R2 states that COO is important for the brand but it is by no means the central component of the brand ‘DNA’ and therefore is not used as a base for positioning the brand either domestically or internationally.;

‘But the Irishness at the core of that I think was something that was presented as part of the brand DNA, but not necessarily the leading component within the brand and I think that will become ... I don’t think Irishness is a factor’.

R2 does point out that this usage of COO as a central component for which to position an Irish brand depends on the category, for example R2 states that for a company like ‘Blarney Woollen Mills’ a COO factor would be extremely important.

Still, as Bulmers does position on the notion of ‘naturalness’, ‘orchards’ ‘rolling hills’, the notion of Ireland and therefore a COO effect does compliment the

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brand, however, these values could *also* relate to many other countries and not Ireland exclusively. Moreover, R2 makes the interesting point that ‘Irish ness’ in a way, is more important to Irish people and in relation to the Irish diaspora a lot more than it is needed as a base to position for other international markets.

5.21.4 Analysis of Sub Theme 4d – Irish Culture and International Development

With regard to the notable aspect of entrepreneurship within Irish culture, R2 was asked why, even with so many entrepreneurs, was there still a notable lack of Irish international brands? Moreover, might Irish culture itself be a reason for this? R2 replied that she ‘didn’t think so’. She also stated that Ireland’s geographic location, ‘being on the edge of Europe’ and ‘being removed slightly’, may have fostered a more entrepreneurial attitude but that this was by no means exclusively an ‘Irish condition’.

As briefly mentioned before however, this notable trend of a lack of Irish international brands may wane due to the shift towards a more ‘knowledge based economy’. Which R2 states may result in a change as to ‘how and where we do business’.

5.22 Analysis of Bulmers - Objective Five

To develop a set of recommendations for Irish brands seeking to enter new international markets and/or to strengthen their position in international markets

5.22.1 Analysis of Sub Theme 5a - Respondent recommendations

This objective solely relates to recommendations made by respondents in phase two of the research. Having seen the key findings from the research, and discussed some of the recommendations from R1 in interview one, these ideas were then developed further and some additional recommendations were given by R2.

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The first recommendation has been mentioned earlier in this chapter and it is with regard to the accountability of the marketing function. R2 states that in order to develop a greater understanding of the long term benefits of brand development within small businesses, *'it is up to the marketing function to demonstrate the tangible contribution it makes to the business'*.

With regards the assistance provided to smaller companies by Bord Bia initiatives, R2 believes that there may be a need for a shift in focus from developing a company's manufacturing, production and operations to development of their brand. R2 has had experience in dealing with Bord Bia and in particular, gives the example of a company that sells beef who worked closely with Bord Bia also;

'They would do a lot at that level in terms of building business. But not necessarily on a branded scale. I think it would require a shift in focus from how Bord Bia deal with smaller companies ... certainly from my interaction with them. I am not aware of the global but my understanding is that it is more at a commodity level in the sense of the generic ... we have great beef, so they can sell great beef...but it is not necessarily a brand of beef'

R2 states that businesses may not believe they require an in house function to support a brand, but even if they do, they may not be sure how to do it. R2 would like to see more of a support role therefore from the Government in the form of more consultancy. This was a recommendation that was mentioned in interview one and the dynamic nature of the methodology of this study meant that the recommendation could be discussed and further developed at interview two.

'So, there might be more of a support role from government whether it be providing consultancy, experts on a consultancy basis. I mean Bord Bia do fulfil that role, but I am not sure again, I think that is more – not brand focused necessarily it is business focused or it is business development focused'

R2 therefore states that Bord Bia could take more of a pro active role in brand consulting for SME's with consumer brand potential;

'If they had a resource whereby they could take somebody for three months on a contract basis, give them their brand plan or their marketing plan for the

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year, their strategy. That they could then implement. They have someone there, they have enough but to do that, might be much more manageable both in terms of getting their head around it and buying into and even financially.

In addition R2 states, *'just consulting, doing it for one sort of day, or whatever it would be however that would work'*. R2 states that this would also involve Bord Bia actively contacting companies *'who may not realise their potential'*, rather than waiting for the companies to come to Bord Bia for assistance. R2 states that this would be a more *'formal and targeted approach'* by Bord Bia to Irish brand development. On this, R2 notes;

'I mean Bord Bia have a lot of ...an awful lot of days away on various topics. I think taking a formal approach to brand development within an organisation like that and targeting rather than practically waiting for the company to come looking for the assistance. Perhaps identifying and targeting at maybe government level or certainly at Bord Bia level

...a brand that would seem to have potential but haven't yet perhaps...so undertaking the exercise, looking at the brand lifecycle or the development of the company which...and perhaps making an approach to the brand owners

a targeted approach rather than having the options of "Come along and see us" - having an officer who perhaps is appointed to look at and tasked with brand development or something in-house. I mean, perhaps it exists, certainly ... I'm not aware if it does.'

R2 also states that strategic direction is a challenge for many small brands looking to develop and on this she points out that *'having a forum whereby smaller companies can have direction with regard to what to do next'* might be one way to help smaller companies.

With regard to strategic development and internationalization of the brand, R2 advocates both the *'managed innovation'* and the *'test-market'* approach both previously discussed earlier in the chapter. With regards the latter, this was developed from the *'baby steps'* recommendation mentioned by R1 in interview 1. R2 made an important point regarding the test market approach and this was to ensure the sheer logistics and scale of operations for any international expansion

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were carefully researched and afforded prime importance. More so than the marketing efforts behind building the brand, R2 stated that of critical importance and thus a KSF for international development is the execution of distribution logistics to support the overall brand proposition in any new market and the ‘test market’ approach acts as a vehicle for this.

5.23 Analysis of Waterford – Objective One

As with the previous interview, interview three will be analysed according to the research objective themes

5.23.1 Analysis of Sub Theme 1a - Deliberate Vs Emergent Strategic Style

The emergent strategic style is evident by the manner in which Waterford came about releasing their brand extension Waterford China, which has been very successful to date. R3 states that the company was in fact conducting research on another issue and the findings actually showed that ‘people loved Waterford China even though we never had it’. Consumers actually thought that Waterford made china products already and their impression of Waterford China was very positive even though it didn’t exist! Waterford as a result then began to manufacture and release a china range.

When asked the question directly, whether he felt the strategic management style was emergent or deliberate, R3 responded with certainty that it was deliberate. R3 stated that the strategy was ‘intentional’. Yet, R3 continues, *‘I mean sometimes it “desperational” if there is such a word. It was change born out of despair’*. Even though R3 stated that the strategy was deliberate, the descriptions given of how Waterford reacted to environmental forces in order to ‘cope’ would lend strongly to an emergent style. R3 states that, *‘some of our greatest successes were born of taking a chance. A real flyer, taking a chance’*.

In addition the emergent style of strategic management is exemplified when R3 states;

‘I would often give talks to university students showing segmentation and all the stuff that you learn in college and say that we saw a niche up here for lower priced high quality brand which we later called Marquis. The truth is – although we did some of those studies, the truth is we were going to go bust if we didn’t do something dramatic, so you know, the old story of execution in the morning concentrates the mind tonight’

R3 states again that he believes the strategy was deliberate but acknowledges that desperation was behind many decisions.

5.23.2 Analysis of Sub Theme 1b - 'Brand Positioning'

Insight is given into Waterford's brand positioning by the description given by R3 of the consumer profile for the brand. R3 states that Waterford is known by 'sophisticated people, people who travel, all over the world'. This therefore places the brand in a premium position. Moreover, R3 states that the brand is very 'niche' and is not known globally, but is an international brand known mainly in Ireland, the UK, North and Central America with some brand awareness in continental Europe and Australia. The 'niche' positioning commands a premium price for the brand but this does not mean high margins as the cost of manufacturing is great. R3 states that this high price places the brand in 'purely the top end' of a 'niche business'.

Waterford is positioned as a premium brand on the principle attribute of quality. Their target market and core market have been the over 50's and Waterford still produce products for this market. However, Waterford also needed to 're-position' the brand to appeal to a more youthful audience whilst maintaining the premium brand image. This was done by creating sub brands such as 'Marquis' and more recently, through co-branding initiatives with modern designers such as John Rocha, Marc Jacobs and Jasper Conran. R3 states that these brands were 'still very premium to the market and younger, youthful, lighter looking products'. This strategy was also used for the Wedgwood brand which is part of the Waterford Wedgwood company, using the co branding partnership with designer Vera Wang which has been particularly successful in the Chinese market.

Waterford, as R3 states, are 'in the luxury consumer products business'. Essentially the key attributes that Waterford positions on are outlined by R3 as

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'outstanding quality'. It is about being the absolute pinnacle of perfection. Excellence of quality, breathtaking beauty, outstanding quality, that is what it is about'

With regard to the international positioning of the brand R3 states that this is consistent and the brand is positioned on the same attributes internationally as domestically, that of premium positioning based on quality, design excellence and therefore commands a premium price. There are slight aspects of localisation for the American market, but these are only slight and are still derivative from the core values of the main Waterford brand and therefore the sub brands maintain consistent positioning across markets.

5.23.3 Analysis of Sub Theme 1c – Use of a BCS

Some interview data here relates to the discussion in interview two regarding the need for a BCS. In interview two R2 stated that the need for a BCS became apparent the larger the company grew. Although R3 did not state that Waterford had a BCS, there was some evidence that suggested that a BCS or similar document would be used. For example, when devising strategy, R3 was clear that there were certain things that could and could not be done regarding the brand. One of the most important of these was never to compromise on quality, *'the one thing and I certainly said this and I sat in this – that chair at this table – is, no matter what happens we never, ever compromise on quality'*.

When asked directly if Waterford have a BCS or similar document, R3 responded decisively 'oh absolutely we do yeah'. R3 describes the Waterford BCS by saying that any brand activity must refer to the corporate 'manual', *'corporate manuals which show exactly how it should be presented in every way, so the whole ethos of the brand, all that has been documented, written down and new people, if you joined us, you should get a good training and what this all means'*.

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R3 states that using a BCS is good practice for smaller companies looking to grow and internationalise their brand as it is good to ‘document everything at the beginning’. Furthermore R3 states that using a BCS as a key function in strategic management is good practice to start with a small brand. In addition R3 states, ‘*so yes, I think they should start, start as you wish to continue*’.

5.23.4 Analysis of Sub Theme 1d – Brand Activity

Brand extensions have been central to Waterford’s brand strategy since the mid to late nineties. Much of their brand activity has comprised brand extensions and co-branding. Waterford have also been involved in a number of acquisitions of smaller but successful brands in the crystal category and tableware categories.

Waterford’s sub brands which involved co-branding with designers, as mentioned previously, have also been localised to specific markets. For example, Waterford entered into a strategic alliance with John Rocha for the UK and Ireland market and for the US Marc Jacobs who is a very famous American fashion designer and was therefore a more logical choice for the US market. R3 stated that in the US John Rocha would not be so well known and moreover ‘Americans would have difficulty pronouncing it’.

R3 states that the sole reason that the brand extensions survived, and became very successful, in particular the ‘Marquis’ brand extension released in the mid nineties, is because the brand was directly associated with Waterford in the name, i.e. ‘Marquis by Waterford’. Without the support of the Waterford brand visibly on the product R3 states that these sub brands, Marquis in particular, ‘would have died a death’. Interestingly this strategic decision to sub brand was advised against by a leading US marketing academic and consultant when R3 sought opinion, ‘essentially he said, don’t dream of doing it’. However, Waterford did, and this gives an insight into the strength of the Waterford name and subsequently all sub brands have carried

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the Waterford umbrella brand. R3 sums up by stating very simply, *'that is the power of the Waterford brand. That is branding, that is branding, that is branding.'*

In fact, some of the brand extensions for example the Waterford Wedgwood extensions into linens and gourmet foods (tea and coffee) have begun to outsell the original product Wedgwood ceramics. R3 states that this is the 'brand strength'. R3 makes an important point in that when leveraging a brand, most people will do everything right with the product, but they won't do everything right with the brand. He cites the example of Tipperary Crystal who tried to break into the US market but 'from square one they never succeeded'.

Future co branding initiatives from Waterford involve strategic alliances with the most famous American winery in California – Mondavi. Waterford have designed special wine tasting glasses for Burgundy and Cabernet Sauvignon wines which brings the brand into more of a user experience realm. Waterford has had much brand activity in the past decade and there have been many changes to the brand in this respect, R3 states that if these had not occurred the brand 'would be dead'.

More generally, with regard to the lack of successful Irish consumer brands, R3 states that one reason for this might centre on the fact that growing a brand is simply a very difficult thing to do, therefore, this has meant a trend in brand acquisition. Referring to creating and growing an indigenous brand, R3 states that people 'just don't do it any more. *They buy brands, they don't create them*'.

5.23.5 Analysis of Sub Theme 1e – Definition of a Global Brand

On the definition of a global brand, R3 acknowledges that Waterford could not be classed as a global brand, but as an international brand. When questioned about the definition of a global brand R3 states firstly that 'there are only a handful of them in the world'. Moreover, he adds that a global brand 'is a brand that is recognized in

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almost every country' therefore this definition would relate to consumer awareness and geographic reach more so than degree of adaptation of marketing operations or brand identity.

R3 makes some interesting points regarding what countries could be significant in deciding the degree to which a brand is considered global. He states 'I mean you can't expect it to be recognized in Bangladesh where brands are not emerging yet'. Furthermore, he cites India as a similar example but maybe not as extreme. Nevertheless, R3 notes that people in India will still recognise McDonalds, Coca Cola, Pepsi and Levis so 'they are global brands'. R3 continues by noting that a lot of global brands tend to be in the fmcg business because;

'because it is only in the FMCG business where you can make the investment what will give you that kind or reward because you know, the repeatability of purchase in the FMCG business generates that kind of volume'

R3 states that Waterford are not in the FMCG business and that repeatability of purchase for Waterford is much less. 85-90% of Waterford's business is in three markets. Waterford are a niche business with low margins and this makes it difficult to grow volume as much as the 'global fmcg brands' mentioned.

5.23.6 Analysis of Sub Theme 1f – Difference Between Global / International / Indigenous

Developing this international growth theme further, sub theme 1f looks to explore the interview data with regard to the differences between what is termed an indigenous/international and global brand. This theme is discussed with reference to the Waterford brand where R3 states that Waterford could not be classed as a global brand and one of the principal reasons was given above.

R3 states the difficulty involved in actually developing a brand through these stages of indigenous, international and global growth. He states that it is '*one of the most*

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difficult things to ever do in business, to create a strong brand in one market isn't necessarily a strong brand in another'. To highlight the difficulty involved R3 states;

'In my view, Ireland has only probably created five successful international brands in history. And they would be in my view, Waterford, Guinness obviously, Bailey's Irish Cream – a wonderful success in the last 25 years, Jameson whiskey and Kerry Gold – branding of butter. They are probably ... some would argue, others maybe in that group as well, but I would look on those as the only five truly internationally successful brands to come out of Ireland.'

Even though Waterford is a 'huge brand' it would still be 'unknown in China where there are 1.2 billion people and unknown in India where there are a billion people'. This again highlights the difference between an International brand and a global brand more so than the difference between an indigenous brand and an international brand.

Within the category of 'luxury consumer goods' which is the category R3 would classify Waterford's business, the competition is fierce. R3 goes as far as to classify it as a 'barracuda league' of competitors. Furthermore, many, particularly in the fashion industry will have very high margins whereas Waterford's margins are much lower due to the nature of the intensive manufacturing process.

R3 highlights the trend in business today of globalisation, stating 'globalisation is the name of the game', but also stresses the difficulty in actually growing a brand internationally, 'it is one hell of a challenge; market entry is an amazingly difficult, challenging, expensive thing'. Furthermore, in relation to Irish brands R3 notes that how difficult it has been by the very fact that there have been limited Irish successes in the American market for example, *'I mean, when has the last new brand hit America with success, who has hit America with success'*.

5.24 Analysis of Waterford - Objective Two

2. To determine the key success factors in Irish brand development.

5.24.1 Analysis of Sub Theme 2a – Importance Placed on Branding by Irish Companies

The survey findings showed that companies felt that they *did* place importance on branding. This could be perceived as ‘paying lip service’ as R3 believes that there have only ever been five major international Irish successes ever. This shows the difficulty in achieving success internationally.

Contrary to the survey results, R3 provides an example of the lack of importance placed on branding by Irish companies using the large FMCG food manufacturer Greencore to highlight the issue. R3 is in fact a director of the company and gives anecdotal evidence of the lack of importance placed on branding by the company;

‘...Actually, we are the biggest sandwich manufacturer in the world. We make about a million a day. But who knows about it, it is not a consumer franchise, it is just you make for Tesco and Safeway and all the multiples and I am forever boring the be-jeepers off people, saying that branding is the way to go. And lo and behold in very recent times they – it is not a Greencore Brand but it is the Weight Watchers Brand and we make now for Weight Watchers, the Weight Watchers food brand. And it has become a massive success and it is yet again proving that branding is the way to go, it is the only way you can differentiate yourself’

This example shows the success possible when companies place importance on branding. It also shows that many companies may not realise their branding potential either.

5.24.2 Analysis of Sub Theme 2b – KSFs Identified from Survey

Placing importance on staff is a KSF for Waterford. Quality is the cornerstone of the brand. Quality is so important for the brand that R3 states;

‘If you and I were parachuted into New York City right now and we were to walk down Madison Avenue or Fifth Avenue and we were to ask 1000 people. Just walk up to them and say ‘Waterford Crystal, what does it mean to you?’ I guarantee you that 995 of them will say some words that sound like ‘Outstanding Quality’. It is about being the absolute pinnacle of perfection’

In addition this directly relates to another KSF, ‘having a clear and distinct brand identity’. Waterford clearly have a distinct identity based which hinges on quality and as mentioned previously even when the business was enduring many changes, the message was clear not to compromise on quality.

‘Interestingly, with regard to the KSF identified from the survey of ‘avoiding devising strategy according to how consumers perceive the brand image’ Waterford appeared to act in a contrasting fashion devising strategy to exactly how the brand was perceived by consumers. For example, when R3 states;

‘Again it is a beautifully designed product and very high quality but the magic name is on it, Waterford China. And we did that because we were doing market research at the time and the research showed that people loved Waterford China even though we never had it. They actually said, they thought they were buying Waterford China and yeah, it was amazing, people ticked... They were convinced we had a thing called Waterford China and they loved it. [Laughter] So, I said if they like it when we don’t have it, they will certainly like it if we do’

5.24.3 Analysis of Sub Theme 2c – Additional KSFs Identified by Respondents

R3 stated clearly that Waterford would not compromise on quality which was essential to their brand identity. Deviation from the brand identity would therefore be ill advised and can be considered an additional key success factor identified by R3, *‘we did some research to make sure we could do it before we did it. But the one*

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thing we will never do is compromise on quality because that is the essence on which Waterford is built’.

5.24.4 Analysis of Sub Theme 2d – Paradox of Short Term Pressures Vs Long Term Brand Investment

There was minimal reference to this theme in the interview data. The only reference to this theme is with regard to the necessary changes that Waterford needed to implement in the short term to survive more so than perform and therefore these changes would hopefully see the company prosper in the long term.

5.25 Analysis of Waterford - Objective Three

To identify obstacles and inhibitors to creating successful brand differential advantage for Irish companies and identify strategies to overcome these

5.25.1 Analysis of Sub Theme 3a – Major Restricting Factor to Brand Development – Finance

Again, this theme is similar to sub theme 2d in that there was minimal reference in the interview data to finance being a major restricting factor for the brand development. This could be due to the fact that Waterford is a very successful brand internationally. Nevertheless, R3 does acknowledge the large financial investment needed in order to try and bring a brand to the US market for example, *‘if somebody wanted to go to the United States for example, you can’t. How do you, you would want gazillions of dollars’.*

5.25.2 Analysis of Sub Theme 3b – Further Restricting Factors to Brand Development

The restricting factor of pressure to compete on price interestingly does not affect Waterford for the reason that their brand is in a niche business. Moreover, the price is directly determined by the high cost of manufacturing that goes into the product which immediately puts the brand in a premium pricing category. Waterford crystal could not make a glass for seven dollars due to the intensity of the manufacturing process. So there was a certain degree of restriction felt as Waterford do have to communicate through marketing why consumers should spend more on quality crystal;

‘Nevertheless, the \$7 glass which is sometimes discounted to say \$6 or \$5 does a good job. It doesn’t do as good a job, so you need marketing investment to tell people and we had some wonderful advertising programmes. Which tell people why you need the best to drink the best.’

Still, this restricting factor had an even greater effect when Waterford needed to target a younger market. There was a need then to compete on price or risk alienating the younger customers. When Waterford introduced the ‘Marquis’ range this was priced at £30-35 a piece this was half the price of their core ‘Lismore’ range which had been the main product range for many years,

It was whilst introducing the Marquis range that Waterford also felt the restricting factor of ‘increasing number of competitors’. R3 states that Waterford needed to introduce a sub brand to attract younger consumers in the US market, but also points out that the US market needed another crystal brand, ‘like it needed a hole in the head!’. There were 120 crystal brands on the market at the time and Marquis became number 121. Nevertheless as mentioned previously, Marquis became very successful due to the power of the Waterford brand behind it.

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There is considerable reference to the restrictions placed on brand development by EU regulations. This relates to the theme ‘external industry regulations’ which was a key restricting factor finding from the brand survey. When discussing the possibilities for the growth of indigenous Irish brands and the assistance provided by the government through the vehicle of Bord Bia, R3 states that EU regulations impinge heavily;

‘I know they are constrained greatly by EU regulations. And EU regulations won’t allow state aid it is called, state aid of particular industries or businesses and I know this for a fact.’

Enterprise Ireland and Bord Bia the two state funded bodies for assistance of Irish companies are heavily restricted by EU regulations R3 states. He notes the work they do as outstanding and commends their effort saying for example that Enterprise Ireland ‘turn itself inside out’ to try and help’. R3 remembers the previous state body for assistance, pre European Union, ‘Coras Trachtala’ (CTT), which actually supported Waterford with a marketing budget to try and break into the Japanese market. R3 states that this mechanism *‘is no longer there because of the EU and their opposition to state aid. That is a shame but that is life. The EU brought us some good things and some not so good things’*.

5.25.3 Analysis of Sub Theme 3c – Internal Restricting Factors

With regard to internal restricting factors to brand development such as ‘lack of financial or HR support for international launches’ and ‘insufficient organisational design’ the interview data shows that the affect these factors might have had, was minimal.

More generally, when discussing the financial support needed for international launches, R3 states that in most cases it is very limited and a company must optimise the finances available for market entry. One manner in which to do this is test market. R3 states that a certain test market may not be ideal for the product but it

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may make sense financially and provide a good return on investment specifically in terms of information on consumer reaction to the brand,

‘So, I would take a state or three states or something like that to try and determine which is likely to be the most successful one, and which are the states where I can get the best bang for my advertising dollar’

Regarding organisational design, Waterford’s was insufficient and did need re adjusting In order to develop the brand at certain points in their history, notably many changes implemented by R3 from the mid eighties to 2002. Again, these organisational changes were in tandem with other changes in the business, cultural and technological for example, moreover, R3 states that if these changes were not made, Waterford ‘would be dead’.

5.25.4 Analysis of Sub Theme 3d – External Restricting Factors

R3 does make reference to Ireland’s geographic distance from other markets being a restricting factor for brand growth as he states in relation to the Japanese market, that only ‘the Japanese people who had travelled the world’ would know the Waterford brand. Furthermore, R3 states that Waterford have been unsuccessful in several markets such as France and Japan, but this is more due to cultural differences than geographic.

5.26 Analysis of Waterford - Objective Four

4. To examine attitudes from Irish brand managers’ perspective, regarding Irish brand development internationally.

5.26.1 Analysis of Sub Theme 4a – Economic Influence on International Development

There have been significant economic influences on Waterford's business since its inception. More recently, Waterford has been affected hugely by Ireland's economic development. For example the increasing labour costs have meant job cuts and outsourcing of manufacturing to lower cost economies which has never been done in Waterford previously. R3 states that Ireland is 'not an inexpensive country to do business with' and also, 'Ireland is an expensive country to do business in'. Waterford would have been 'out of business' if they had kept hand made manufacturing rather than introducing technologies to lower manufacturing costs due to Ireland being a 'high cost country, as high as they come'.

The results of these economic effects on the business are illustrated by the number of staff cuts Waterford have had to make, R3 notes that 'it is sad but a fact of life is I joined 21 years ago we had 3,200 people working in Co Waterford in 1985. We have 900 today'.

Another key influencing factor on Waterford's business has been the effect of September 11 and the devaluation of the Dollar. As the majority of Waterford's business is in three markets and the biggest market being the US, manufacturing in euros and selling in dollars has cost Waterford hugely. Even before September 11 the devaluation of the dollar in the early 90's hugely affected Waterford's business, 'so we were in deep, deep trouble in the early 1970s. The dollar had gone the wrong way and everything was topsy-turvy'.

When asked why has there been a lack of Irish international successes recently even with Ireland having a strong focus on new venture creation, R3 makes interesting points and states that macro changes in the economy could be a main reason. For example, R3 states that 'an awful lot of the Irish economy is made up of construction and on the other hand services'. R3 states that Irish economic

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development has been similar in style to that of Britain as in the last twenty years there has been a large reduction in manufacturing industries and a massive increase in service industries;

'In Britain in 1979 I think there were 7.8 million people involved in the manufacturing industry and in 2004, 25 years later, that number had fallen to 3.8 million people - halved. But the interesting thing was that there were more people employed in Britain in 2004 than there were in 1979. So, why is this so? And the answer is construction a bit, there was more building going on and so on, but services, massive growth, you know, financial services, marketing services, tourism services, huge growth and Ireland would be the same. You have the IFSC, a fantastic success story'

R3 makes the point that, if this growth in services continues, then no one will be 'making anything' anymore. In addition, R3 asks, *'who the hell are the services going service? Who are the lawyers going to lawyer for, who are the accountants going to account for? And the sad thing is that no one makes – no, that is not right – very few people make stuff anymore'*.

The argument that R3 makes culminates in the point that, there are no successors to the previous great Irish brands such as Jameson, Bailey's and Kerrygold for example. This is shown when R3 states;

'..but I don't see the new ones ... I mean if you take Ballygowan. Ballygowan was a great branding success, but it was a great branding success mainly in Ireland with a little bit in Britain and certainly no one in America had ever heard of it. I mean, when has the last new brand hit America with success, who has hit America with success.'

5.26.2 Analysis of Sub Theme 4b – 'Sell Out' Trend

There is little reference to this theme in the interview data, however, at the end of the interview R3 states that he believes there is an acquisition trend, moreover a 'sell out' from the smaller company's perspective. This would therefore imply that

brands are looking for exit strategies to be taken over by larger companies. This is the only reference to this theme in the interview.

5.26.3 Analysis of Sub Theme 4d – COO Effect

The interview data regarding this theme centres on the point that Waterford may appear to have a COO effect but this is not a key aspect of the brand for which to use in a positioning strategy. R3 states with regard to this theme that many people would say that Waterford's success is entirely due to and based on a COO effect, but he does not agree with this at all;

'And if you went around this office and asked people, not this office this whole site, and asked people - particularly if you walked through the factory - you would get an answer that said, entirely due to it. I do not believe that that is the case at all'.

R3 states that Waterford does not position on a COO effect and this is not what the brand is about in terms of the brand identity. Rather, Waterford's success is due to outstanding quality, breathtaking beauty and design excellence'.

Yet, R3 does admit that Waterford doesn't promote an 'Irishness effect' but does benefit from it. He gives the recent example of sponsorship of the 2006 Ryder Cup, stating;

'we don't hide it and we actually use it, I mean the Ryder Cup last week, two weeks ago, we were all over that, we were of the sponsors of the Ryder Cup, one of the associated sponsors. And there is a lot of Irish-ness attached to that because it was in Ireland. We very much promote the visitor centre, "Come and see it being made, the finest crystal in the world, being made in Waterford, Ireland. Please come." We charge them €7 to go around. They pay it very willingly, so we don't hide it'

R3 is quick to state afterwards however that his predecessors, to their credit never 'played the Irish card, there were never shillelaghs and leprechauns in the advertising' and as a result, today R3 proudly states that Waterford is 'an international company that plays by international rules'.

5.26.4 Analysis of Sub Theme 4d – Irish Culture and International Development

With regard to Irish culture and international development, R3 believes that Irish people are ‘not actually as entrepreneurial as they should be’. R3 does acknowledge that there are some and there is a new generation of Irish people now who have a ‘new confidence’ as ‘45 per cent of the Irish population are under the age of 25’. Yet, interestingly R3 states that he believes there is still a ‘fear of failure’ inherent in Irish culture, which ‘*may be a historical thing, because of our background, you know going right back to the famine, fear of failure is still great in Ireland*’. Yet, R3 has a more positive outlook for the future; he states that now it is different as today’s generation have greater confidence;

So, people are different now and I hope that will give people a more entrepreneurial flair to try and create real value added products’

5.27 Analysis of Waterford - Objective Five

To develop a set of recommendations for Irish brands seeking to enter new international markets and/or to strengthen their position in international markets

5.27.1 Analysis of Sub Theme 5a – Respondent Recommendations

This objective solely relates to recommendations made by respondents in phase two of the research. Having seen the key findings from the research, and discussed some of the recommendations from R1 in interview one, these ideas were then developed further by R2 and again were built on by R3. This is an example of the dynamic interview format where the data from interview one is discussed and develops right through to interview 3.

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Firstly, R3 makes it clear that international brand development is extremely hard. He states that, *'even with a successful brand in market A, taking that and breaking into market B the other side of the world, is one of the most difficult things you will ever do in business'*. Given that it is so difficult for Irish owned consumer brands to develop and grow internationally, R3 recommends a 'catch all brand' initiative. This is an idea which would work in tandem with support from Bord Bia and Enterprise Ireland and in fact is being developed at present. He states it 'has a 'better chance than someone small trying to break into another market'

The 'catch all brand' would involve pooling of resources from three, four and maybe five small companies which are all located in a specific region. The idea is that the whole is greater than the sum of its parts and that these small companies could join together, therefore get larger financial support from government bodies such as Bord Bia than if they were on their own, and use an umbrella brand strategy for international market entry. R3 states that of course there need to be criteria for example the companies must all have a common goal and be geographically close to one another. The example he provides is of three food manufacturing companies in the Waterford region which have come together under the brand 'Copper Coast'. R3 states that 'these small companies are all looking to enter the UK market but maybe do not have the funds, time or skill to do it'. Under this new initiative they would 'all come under the same brand and then be marketed under that brand'.

R3 sums up his point on this by saying that it is;

'Very worthy undertaking and I would love to see it succeed but even as a collective it is a tough one, in fact going back to the 90s I used to be making speeches around the country saying that this is what should be done, because there are a lot of small businesses that will never you know people making Aran Sweaters, there needs to be a collective brand under which these can fly. An umbrella brand under which these can fly but it needs resource behind it. So, I have a great belief in that, I think that can work'

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This is a recommendation for international development, however, when asked directly what would R3 recommend directly to small Irish companies looking to grow their brands, R3 replies very passionately, that a focus on branding is critical and is needed;

'branding is the way to go, it is the only way you can differentiate yourself. It is the only way you can get a pricing premium, in the food industry you know, the multiples the supermarkets, the Tesco's of this world, the Tesco-isation of Britain is happening and they are pushing enormous pressure on the manufacturers to not only hold their prices but reduce them. And how can you get margins if that, you know, that might do for one year but if you do it for four years or five years no one can do it because there is inflation. How can you do it, the only way you can do it, the only way you can do it is by added value in branding, you always have that, so, I would be a huge supporter of that is the way they go but I would be a realist in that, in saying that creating a brand from a clean sheet of paper, is an enormously risky and difficult thing to do'.

5.28 Conclusion

This concludes the analysis of the questionnaire and interview data for the study. The next chapter looks to draw conclusions and recommendations from both the phase one brand survey and the phase two interviews which qualitatively explored the key survey findings.

Chapter Six

Conclusions and Recommendations

“There is nothing wrong with change, if it is in the right direction”

- Winston Churchill

6.1 Introduction

The final stage of the market research process as proposed by Malhotra (1999) is to report and present the results from the analysis and make recommendations. The objective of this chapter is to formulate conclusions based on the findings from the research. These conclusions will relate, where applicable, back to the literature and will thus aid the proposal of practical recommendations for practitioners of Irish owned consumer brands and to academics researching consumer brand development.

For the purposes of clarification, a table has been drawn up below which outlines the research objectives and the key findings/themes that resulted from the phase one brand survey. These themes were then the key base for further qualitative analysis at the interview stage. The relationship between the research objectives and the resulting themes is shown in figure 6.1 below.

Figure 6.1: Research Objectives and Themes

1. To identify key strategies for creating and developing global brand leadership in an Irish context and to examine attitudes regarding the concept of a global brand.
1a Deliberate Vs emergent strategic style 1b Brand positioning 1c Use of a BCS 1d Brand activity 1e Definition of Global brand 1f Difference between global /international/indigenous
2. To determine the key success factors in Irish brand development.
2a Importance placed on branding by Irish companies 2b KSF's identified from survey

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2c Additional KSF's identified by respondent 2d Paradox of Short term pressures Vs long term brand investment
3. To identify obstacles and inhibitors to creating successful brand differential advantage for Irish companies and identify strategies to overcome these.
3a Major restricting factor 3b Sub restricting factors 3c Internal factors & External factors
4. To examine attitudes from Irish brand managers perspective, regarding Irish brand development internationally.
4a Economic influences on international development. 4b 'Sell out' trend 4c COO effect 4d Irish culture and International development
5. To develop a set of recommendations for Irish brands seeking to enter new international markets and/or to strengthen their position in international markets
5a Respondent Recommendations.

6.2 Conclusions Regarding Objective One

6.2.1. Conclusions on Theme 1a - Deliberate Vs Emergent Strategic Styles

This theme related to the different strategic management styles as previously discussed with reference to Mintzberg (1985, 1994) Johnson et al (2005) and Finlay (2000).

From the brand survey it was found that respondents were mostly in favour of a deliberate strategic approach rather than emergent. This would support the literature

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with regard to the popularity for strategic planning Mintzberg (1994) and an intentional approach to developing strategy (Finlay, 2000).

Respondents also accepted that there must be some element of flexibility in strategy to allow for adaptation where necessary and evolution of the strategy. As a result, most respondents agreed or strongly agreed that outcomes of strategy may vary and thus may not always be what was originally intended. This fully supports Finlay's (2000) contention that, in practice, both deliberate and emergent strategies tend to be followed simultaneously and they combine to form the 'actual strategy' which is the route the company ends up taking.

When this finding was discussed in the phase two interviews, there was agreement from all interviewees that a 'hybrid' approach to strategic development is best. This would generally include an emphasis on strategic planning but is not so rigid as to rule out the emergent development of strategy also.

6.2.2 Conclusions on Theme 1b Brand Positioning

Brand positioning is central to any brand strategy (Aaker, 1996, Doyle, 2002, Grimaldi, 2004). From the survey findings it was seen that most respondents felt that brand positioning was actually a fundamental aspect of strategy, that it aids brand differentiation, it does not always have to be done in-house (i.e. no outsourcing) and that it is most effective when kept simple. However, most respondents also felt that brand positioning can be difficult to communicate clearly and that as a result complete differentiation from competitors is difficult to achieve. This would be in line with Grimaldi's (2004) contention that the greatest challenge for marketers is to 'strike a chord in consumer's minds which makes their brand appear more memorable and noticeable than the competition'.

This challenge is therefore notably apparent amongst Irish brand marketers today by the finding that most feel that brand positioning can be difficult to communicate

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clearly. Again, respondents agreed with the theory that kept simple brand positioning is more effective. This was postulated notably by de Chernatony (2002) who contends that brevity should be inherent within the act of positioning itself.

Aaker (2002) states with regard to the benefits of brand positioning that it guides and enhances brand strategy providing meaning and focus to the organisation as a whole. Irish brand marketers clearly understand and are aware of the benefits of brand positioning as 70 per cent believe that brand positioning is an area of strategy that is considered important by many Irish business to consumer (B to C) companies.

With regards to the discussion on brand strategy in the phase two interviews, all three interviewees felt that brand positioning was central to their strategy and interestingly two of the three interviewees had undergone repositioning of their brand. Both reasons for the re positioning strategy related to one of Doyle's (2002) three main reasons why a brand re position may be needed;

- Initial segment is too small, declining, too competitive or otherwise unprofitable
- The quality and features that the brand offers do not appeal to targeted segments, they may have become obsolete.
- Product costs may become too high to allow for competitive pricing (possibly as a result of exterior environmental changes)

All three companies used brand positioning or repositioning as a strategy to move their brand into a more premium category and appeal to new target audience. All three companies repositioning strategies were in tandem with one or more of Doyle's (2002) seven options for brand repositioning strategy. The categories related to were 'introduce a new brand' (Tayto and Waterford) and also 'change existing opinions about a brand' (Tayto and Bulmers). Part of Tayto's strategy was directly in accordance with the 're focused positioning strategy' postulated by Grimaldi (2004) in chapter one which involves developing a research programme facilitated

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by selected staff who possess cross discipline experience in order to inspire new life into the brand.

For all companies, the brand positioning was based on several attributes that stemmed from the brand values. Brand values were given different terms by all three companies, brand 'heartland' by R1, brand 'DNA' R2 and brand 'ethos' by R3.

With regard to international brand positioning, for the two companies that have operations outside of Ireland, Bulmers and Waterford, consistency was key. Although there were slight alterations for different markets, more so with regard to the products, the brand was positioned in exactly the same manner and on the same attributes in international markets as in the domestic market.

6.2.3 Conclusions on Theme 1c - Use of a BCS

Documentation of the brand identity and brand values has been supported by many authors (Chevron 1998, Aaker and Joachimsthaler,1999; Douglas, 2001; Grimaldi, 2004). According to Chevron, this should be in the form of a brand character statement or BCS. This issue was prevalent in the phase one brand survey and the phase two interviews. Chevron (1998) advises that a BCS should include brand values, identity and personality. From the survey findings most companies did not have a BCS. Those that did confused a BCS with their mission statement which Chevron (1998) notes as being two distinctly different documents. Therefore, there was little understanding of what a BCS is, should include and should be used for. Many companies had elements of a BCS such as brand identity but these were more as a sub reference in a corporate mission. Therefore it can be said that there is only a minority who place importance on their brand as far as documentation and reference to this documentation as a method for devising strategy.

When the issue of a BCS was further explored at the interview stage, only Bulmers and Waterford stated that they had official documentation in the form of a BCS. Tayto did have a document that informed what 'the brand stands for' but that it

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could not be considered a BCS in the strategic sense. In addition, it can be concluded that Irish b to c companies in general do not have, or use a BCS until they have need for one in terms of informing outside parties about the brand. The BCS therefore only becomes necessary when official documentation is required as the company grows. The larger the company grows that more importance is placed on the BCS as a strategic tool and mechanism for strategic management. This would contradict the literature with regard to a BCS as many authors advise the documentation of the brand values, personality and identity at the very beginning of the business or as early as possible in the life of the business (Chevron, 1998). The BCS is not being created and used by small companies as due to their small size, importance is being placed on day to day activities and due to the small number of people involved, the company may feel that the essence and meaning of the brand is generally understood and clear amongst all without needing documentation.

6.2.4 Conclusions on Theme 1d - 'Brand Activity'

Brand activity relates to any brand extensions such as line extensions, range extensions, umbrella branding and also any other brand growth strategies such as co-branding, brand acquisitions and brand licensing. From the analysis it can be concluded that most Irish companies are developing their brands through range branding and line extensions. This finding supports Aaker's (1996) contention that line extensions and range extensions are the most popular method of extending the brand. The reasons for this popularity are also in accordance with Doyle (2002) who states that extensions are popular due to the high failure rate of new products, the cost involved in building a new brand and the need to achieve economies of scale and scope.

This became more apparent at the interview stage when it can be seen from the analysis that Tayto used range extensions to grow in a saturated market, and Waterford used range extensions with the Waterford brand due to the high failure rate of new brands in the market. Line extensions, range extensions and umbrella

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branding are therefore good strategies for brand growth but caution is necessary due to the cost of failure in such ventures, financial cost and damage to the brand image. The comparison can be seen between Tayto who have had several range extension failures and Bulmers who have taken a more considered approach and have enjoyed more success as a result. Nevertheless, it can be concluded that these strategies are dependent on the industry, for example, Waterford were not in a position to take a cautious approach they had to act and create a range extension to ensure the company did not go out of business.

The finding that line extensions and range extensions are the most popular method of brand extension would contradict the finding in interviewee three that ‘people don’t create brands anymore they buy them’. From the phase one survey, the findings show that brands are being extended and therefore grown, however, this is not to say that they will not be acquired once they have become a certain size or attractive to larger companies.

6.2.5 Conclusions on Theme 1e - ‘Definition of a Global Brand’

From the survey findings it can be concluded that the majority of brand managers only define a global brand in terms of its geographic reach, the number of markets it operates. This would be in line with Van Gelders (2004) definition but, would not take into account many of the aspects mentioned in the Interbrand (2003) definition.

Respondents did make a clear distinction between an international and a global brand, but again this was solely in terms of geographic scale. Therefore, it can be said that amongst practitioners, the terminology reflects that of theory in that it is very vague. Respondents do concur with the specific factors included in the author’s definition of a global brand apart from two; the contention that

- A global brand must have balanced geographic sales of over 1 billion and
- A global brand must adhere to a minimum 70/30 ratio of standardization vs adaptation.

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Therefore, the author's definition receives support in most areas from brand practitioners.

6.2.6 Conclusions on Theme 1f - 'Difference between Global / International / Indigenous'

When the issue of global brands was discussed at interview there was agreement from all interviewees that their companies had a long way to go before they could be even considered global. This was understandable from Tayto and was particularly interesting from Waterford, a very big international brand. It can be concluded therefore that indeed there is a lack of Irish owned b to c brands who operate globally. Furthermore, even the upper echelons of Irish brands feel that they still have a long way to go to become global. This would support the theory postulated by Upshaw and Taylor (2000) and Swystun et al, (2005) who state that brands need significant operations and distribution in the major developed markets, Europe, the Americas and Asia to even be considered global.

Therefore, more Irish brands should be operating internationally as there are factors which suggest this, for example the small size of the Irish market plus the development of a highly skilled and knowledge based labour force (Sweeney, 1999). Yet, the findings show particularly at the interview stage that breaking out of the 'contained' Irish market is an extremely difficult and costly task, moreover, the size of the country might suggest quicker market saturation and therefore faster international growth, but the location of the island of Ireland is very expensive in terms of logistics and operational costs. Therefore, developing Irish brands so that they are even at the stage to consider international market entry, is a more timely and relevant goal for Irish brand managers.

6.3 Conclusions Regarding Objective Two

6.3.1 Conclusions on Theme 2a - 'Importance placed on Branding by Irish Companies'

From the ESG report (2004) in chapter three it was seen that there needs to be more of a marketing emphasis in Irish companies if they are to increase competitiveness both in domestic markets and internationally. Companies do feel that they place importance on brand building but many Irish brand managers feel that building a brand is more important to them personally than it is to their company. However when this issue was discussed at interview stage there was a contrasting opinion that Irish companies are not placing enough importance on branding. This would indicate that the companies are paying 'lip service' stating that they do place importance on branding when clearly, the ESG (2004) report states otherwise and the very fact that there is a lack of international Irish consumer brands is further proof.

It can be concluded therefore that maybe companies do feel that they place some importance on branding or say that they do, but in fact do not have a appreciation for the return on investment that can be made from the marketing function and subsequently investing in the brand. Furthermore, there is a responsibility on the marketing function in many cases to demonstrate the tangible contribution it makes to the business. There is again support for this conclusion in the ESG report and ultimately, by the very fact, mentioned by respondent three, that there have only ever been five internationally successful consumer brands ever, Guinness, Bailey's, Jameson, Waterford and Kerrygold.

6.3.2 Conclusions on Theme 2b - 'KSFs Identified from Survey'

Taking into account the literature on brand development discussed in chapter one, and the context of the study being Irish owned consumer brands, the main key success factors for brand development are;

- Placing importance of staff,
- Having a clear and distinct brand identity and
- Avoiding devising strategy according to how consumers perceive the brand image

These key success factors are in accordance with several different authors in the brand literature, notably Aaker (1996, 2000), de Chernatony (2001) and Kapferer (2002).

When these key success factors were explored in more detail at the interview stage it became apparent that all three key success factors are inherently linked to long term investment. None of the three major KSFs relate to short term delivery, they all focus on the long term therefore emphasising the capability needed for long term investment in the brand. Essentially, these KSFs relate to the idea that there are no 'quick fixes' and for a brand to be successful a long term vision is needed. For example, this is further emphasised by the finding from that survey that the larger the company, the more important they believed investment in people is for the brand, this would support the theory postulated by de Chernatony (2002) that many larger organisations believe their employees are the embodiment of the brand.

In addition, there are several factors to consider in terms of contextualising these KSFs. For example, placing importance on staff will involve great financial investment due to the high expectations Irish people have from their career. As R2 noted, Irish people expect to be trained and expect to be developed and there to be a focus on the individual. This could be a costly exercise for Irish companies and again, emphasis needs to be placed on the return on investment long term that can be gained from such relationships.

6.3.3 Conclusions on Theme 2c – ‘Additional KSFs Identified by Respondents’

This theme relates to any additional KSFs that were noted by respondents having seen the findings from the research and at the three different interview stages. The conclusion that can be drawn here is with regards to emphasis. There were no distinct additional key success factors that interviewees mentioned, however. There was emphasis placed on two key areas in particular, ‘having a clear and distinct brand identity’ and increasing the understanding of the benefits of branding by demonstrating the tangible contribution branding makes to the business. With regard to the former, the emphasis was placed on keeping the brand relevant to consumers, but ensuring that the brand was ‘true to the brand values’. This would support the concept of a brand as an ‘evolving entity’ and much of Lehu’s (2004) argument that if management do not ensure that a brand adapts and evolves to a rapidly changing business environment, it could ‘age’ and ‘die’.

6.3.4 Conclusions on Theme 2d - Paradox of Short Term Pressures Vs Long Term Brand Investment

Irish brand managers are under pressure to deliver results in the short term and this has been seen from the findings in the phase one survey. This upholds Aaker’s (1996), de Chernatony et al’s (1997) and Chevron’s (1998) contention that short term performance pressures are a primary concern for many brand managers and in fact inhibit the success of brand strategies. Moreover, the difficulty arises when long term brand investment is needed but this is contrasted by the need for performance such as sales figures in the short term. From the research it can be said that this is much more of a problem for SME’s than large companies due to their ability to support brands financially. The rewards of long term investment and focus have been noted in literature (Aaker, 1996; Benson & Kinsella, 2004) and the challenge then for smaller companies is a psychological one and demands much resistance against solely focusing on the short term.

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The research did not come to any all encompassing conclusion as to how to solve these issues. Rather, from the findings of the research, and the discussion in the interviews, it can be said that instilling a long term philosophy in a small company which has day to day cash demands is extremely difficult and in addition could be argued unrealistic under certain circumstances. Therefore support is needed, both financial and human resources support. This area will be discussed later in the chapter.

6.4 Conclusions Regarding Objective Three

6.4.1 Conclusions on Theme 3a – ‘Major Restricting Factor – Finance’

There is a correlation between the companies sampled and the factor which respondents believed restricted their brand building most. Most companies sampled in the survey were SMEs and this would hold that financial constraints are the most restricting factor as small companies are generally on tight budgets. This theme is central to the area of creating brand differential advantage as ultimately brands need to be funded.

When this issue was explored at the interview stage, there was much pessimism with regards to the problem of growing small companies when there is a limited budget afforded for brand building. An interesting point was made by R1 who stated that again this dilemma could be due to a lack of appreciation for the benefits of marketing investment. That is, smaller companies preferring to invest in production and operations for the short term gains rather than invest in marketing activities which may see them grow in the long term. This problem was highlighted by Aaker (1996).

Furthermore, companies that are in saturated markets face a ‘chicken and egg’ situation as to how they develop more resources and funds whilst operating in a restricted market. This situation smaller Irish companies face is directly that

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discussed by Grimaldi (2004) who advises the need for marketing investment at such a critical stage. Grimaldi states that the benefits of marketing investment even for small companies are reaped financially; because, well planned streamlined marketing operations will generally have a greater cost saving effect than unorganised, irrelevant marketing. Grimaldi (2004) also promotes the financial benefits of strategic brand positioning by stating that it can have considerable impact on revenue streams without the need for big budgets.

Nevertheless, simply put, if companies want to grow, they *have* to invest. The decision to invest is the first hurdle, the level of investment is the second challenge and with regards to this, there is financial support available to smaller companies. This will be discussed in more detail later in the chapter.

Again, it must be noted that this is an exploratory study, the research provides no clear cut answers here but helps clarify the difficulty actually facing smaller Irish owned b to c brands and may propose reasons why there is a lack of larger Irish international successes today.

6.4.2 Conclusions on Theme 3b - 'Sub Restricting Factors'

This theme relates to several 'sub' restricting factors, which were prevalent from the findings of the brand survey. These are

- Pressure to compete on price,
- Increase in competitors,
- Diverse range of media,
- External industry regulations
- Pressure to invest in other areas of the company.

These factors relate to Aakers (1996) list of 8 key brand inhibitors. It can be concluded then that these are the main inhibiting factors which restrict the growth of Irish owned consumer brands. Each respondent at the interview stage stressed the challenges inherent in one or more of these factors. The degree of influence each

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factor has on restricting or choking brand development is dependent on the industry. For example, Tayto were heavily burdened by the constant pressure to compete on price which dilutes the brand image giving a perception of being cheap. On the contrary, for Waterford who are in a premium niche business, this was not so much of a restricting factor. Waterford were influenced to a greater degree by the increase in competitors when they launched their Marquis range for example. Therefore there can be a more general conclusion that these factors do influence brand development for Irish brands, but the degree to which this is so depends on the business context and nature of the industry at a given time period.

Interestingly, the majority of these restricting factors are external to the company. Irish brand managers therefore believing that mostly, they are restricted and prohibited from creating differential advantage by instances outside of their control. This would in fact contradict Aaker's (1996) claim many of these problems that inhibit the building of strong brands are 'caused by internal forces and biases that are under the control of the organisation'. These factors are not mutually exclusive either, rather, companies felt the pressure of a combination of these factors at vary degrees of influence.

Some specific internal and external key restricting factors will now be discussed.

6.4.3 Conclusions on Theme 3c – 'Internal and External Restricting Factors'

Of the *internal* factors that restrict brand development, lack of financial and HR support for international launches coupled with insufficient organisational design were found to be those with the most influence on Irish owned b to c brands. Exploration of these issues showed that often companies do not have the HR expertise to implement and manage an international launch, in addition there is the need for HR support for the brand in the new market and this inevitably involves risk.

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Although the initial cost of market entry is significant, there are benefits to operating in multiple markets such as cross border learning (Quelch, 1999), Morgan (2005), economies of scale and scope and experience effects, (Usunier and Lee, 2005). However, it is the difficulties inherent for Irish brands in making that initial first market entry that is the message that comes out of the findings time and again.

Of the external factors that restrict brand development, Ireland's geographic distance from other markets was found to be particularly prohibiting when looking to enter new international markets at phase two but this was not the case in phase one. The survey showed that respondents felt Ireland's geographic location not to be a prohibiting factor, but when this was discussed in more depth in phase two, it was found to be of major relevance. This provides an example of the need for further exploration of findings through discussion with industry experts.

In sum, it can be concluded that these responses depict a very difficult picture for Irish brands as the findings show they lack financial support for brand building, they are under short term performance pressures, they face increasing competition and are often forced to compete on price thus eroding the opportunity for differential advantage and or financial investment in brand building. Furthermore, the geographic location of Ireland as an island does prohibit international development as was discussed in phase two, due to the large scale operations and high cost of distribution logistics.

6.5 Conclusions Regarding Objective Four

6.5.1. Conclusions on Theme 4a - 'Economic Influences on International Development'

Overall, it can be said that economic influences such as the decision to lower corporate taxes to entice foreign direct investment have had a knock on effect thereby stifling the development of indigenous Irish b to c companies. This in tandem with the increasing trend of globalisation has made it very difficult for Irish companies to compete against large foreign corporations who have economies of scale and scope. The trend in Irish socio culture however, noted by Fanning (2006) for a return to demand for 'all things Irish' may leverage a competitive advantage for Irish companies over large multi-nationals.

This shift may benefit Irish companies in the future but at present, this is not the case. Even with the positive Irish economic outlook in the short term, There is support for Hennigan's (2005) contention that indigenous Irish firms will still continue to face the challenge of global competitors in the Irish market.

A notable feature of Irish economic development that has played an influential role in affecting indigenous Irish companies is the shift in manufacturing to lower cost economies such as India and China. Taking into account the comments made by R3 that Ireland will become reliant on services as an economic driver, which is supported by the ESG report (2004) and that 'no one will make anything anymore' this outlook does not look positive for Irish consumer products companies.

Nevertheless, if Irish companies can make a shift towards 'virtual' or web based products, maximise e-commerce opportunities and capitalize upon forthcoming technological advances (such as the national rollout of broadband and voice over internet protocol, VOIP, although these are considerably behind the EU average) then this may ease the cost burdens of international development and maintaining

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competitiveness in what is now a high wage economy. These conclusions do not take away from the fact that there is still a lack of presence by Irish companies abroad and thus an underlying need for Irish brands to increase their operations internationally as the benefits are numerous for the continued development of the Irish economy.

6.5.2 Conclusions on Theme 4b - 'Sell Out' Trend'

With regard to this, the study can conclude that the trend is continuing due to the fact that it is easier and more cost effective for larger companies to acquire brands than to create them. This is academically supported both by Aaker (1996) and also in the phase two research findings. The reasons behind this trend are often due to necessity. The fact that many Irish companies have difficulty raising the capital needed to invest and importantly maintain international operations as a result they are being taken over. Again, this comes back to the restricting factors felt by Irish companies with regard to supporting a brand internationally with the relevant manufacturing, distribution, and operations on a large scale. There was a high level of agreement from respondents that this was the case for many Irish b to c companies.

6.5.3 Conclusions on Theme 4c - 'COO Effect'

Often a country's culture is embedded within the values of the brand (Quelch, 1999; Upshaw and Taylor, 2001, Melewar and Walker, 2002; Usunier and Lee 2005). The literature in chapter two gives several advantages and disadvantages of actively promoting a country of origin effect for a brand internationally.

With regard to Irish brands, it can be concluded from both phases of the research, that promotion of an Irish country of origin effect is not a brand attribute which would necessarily give Irish brands a differential advantage in international markets. The findings from phase one survey show the majority of people disagree that the

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only way Irish brands can achieve global success is by maximising the 'Irish ness' aspect of the brand.

Promotion of a COO effect is therefore not a key success factor for Irish owned consumer brands. Furthermore, none of the brands researched in phase two of the study actively promoted the COO effect of the brand. Rather there was an overall feeling that the brands could achieve success and two of the three have been very successful without having to 'rely' on promoting the fact that the brand is Irish. This in fact does support the theory postulated by several authors, Quelch, 1999; Upshaw and Taylor, 2001, Melewar and Walker, 2002; Usunier and Lee 2005 that the country of origin is embedded within the brand values. Additionally, the research shows that COO may indeed be embedded within the brand values and this was shown in the Tayto example, but it is not necessary to actively promote the COO effect, even when the country has a positive image in relation to the product category, to achieve success.

From further discussion of this issue at the phase two interviews, it was also apparent that the brands researched do not purposely hide the fact that they are Irish, and certainly benefit from the positive associations, but they do not need to actively promote it. However, it must also be stated that the need to promote a COO effect will depend on the product category and the relationship with the country of origin, in which case the theory that consumers associate certain countries with expertise in a particular field (Upshaw and Taylor, 2001) would be supported. For example, as R2 stated for Bulmers a COO effect may not be important but it certainly would for a company like Blarney Woollen Mills.

6.5.4 Conclusions on Theme 4d - 'Irish Culture and International Development'

A notable aspect of Irish culture since independence has been the lack of confidence and repression of individualism; this is further emphasised by Lee's (1989)

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contention that Ireland for much of the second half of the twentieth century was a 'possessor' society rather than a 'performer' society. This possession principle dominated as a societal goal and stifled the opportunity for entrepreneurial behaviour or individualism. Irish people were notably humble and generally had little confidence for entrepreneurial achievement through individual performance. This fostered a 'fear of failure'. A combination of environmental factors such as the after effects of 'home' rule, the war of independence, the effects of the Second World War, economic instability, and high levels of emigration all culminated in a very risk averse society up until the 1990's.

The findings from phase two analysis support this as R2 states that Irish people *'have a fear of failure, because of our background, you know, going right back to the famine, fear of failure is still great in Ireland'*. This is also evident as R1 states in relation to going international, Irish people are 'still a bit nervous'.

However, Irish culture is vastly different today and young Irish people are educated, confident, liberal and entrepreneurial. The regrouping of several parent organisations to form bodies Enterprise Ireland and the fact that enterprise and new venture creation are being taught to young Irish people as third level subjects (<http://www.dit.ie>) are testament to this change. There is therefore a new hope for young Irish people in terms of the growth of indigenous Irish business and this was the feeling across all three interviews when the issue was explored in phase two of the study.

6.6 Conclusions Regarding Objective Five

6.6.1. Conclusions on Theme 5a – 'Respondent Recommendations'

The final section of this chapter relates to recommendations for Irish owned consumer brands. Due to the exploratory nature of this study, and the emphasis on attempting to develop and support indigenous Irish brands, it was deemed

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appropriate that the research warranted a set of recommendations as a stand alone objective. These recommendations are based on all research and analysis hitherto discussed in the study and furthermore includes recommendations directly given by interviewees in phase two of the research. It must be noted that these recommendations do not serve as direct answers to problems encountered in developing Irish brands, or rules to be followed. Rather, they are proposed as general recommendations taking into account the context of the research.

Firstly, ideas and recommendations given by respondents at the interview stage will be discussed. The order of the tiered interview framework allowed for ideas and recommendations given by the respondent of the smaller tier one company to be discussed and developed upon by the larger tier two and tier three companies. This culminated in a dynamic effect of data, where best practice could be explored and developed further.

6.6.2 Respondent Recommendations

The first recommendation was with regard to how Irish brands can grow internationally. A 'baby steps' approach was discussed which would reduce the risk involved with an international launch. This is more a philosophy on international development than a strategy to be employed. The 'baby steps' outlook would be an overall corporate approach to growing the business for which a number of strategies within this are available.

A key strategy available within this 'baby steps' philosophy and one which was advocated and recommended by all interviewees is test marketing. Given that the U.K is generally the first port of call for Irish consumer brands, this would be an incremental growth strategy whereby Irish companies could look to test market in small pockets maybe in Northern Ireland as an indicator for a UK market entry, for example. Test marketing in Northern Ireland could prove significantly more cost effective in terms of transport and logistics than a full small market launch in

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mainland Britain. The test market approach was supported and advocated as a best practice strategy for international growth, by all interviewees in phase two of the research.

An important point must be made with regard to the test market approach however. This recommendation for test marketing should strongly focus on the operational and logistical support for the brand maybe more so than the marketing efforts behind the brand. The idea being that the test market brings ‘experience effects’ (Usunier and Lee, 2005) in terms of distribution, manufacturing, transport and HR support. Therefore the company can gain valuable learning with regards the execution of distribution logistics to support the overall brand proposition in any new market and the ‘test market’ approach acts as a vehicle for this.

6.6.3 Bord Bia Initiatives

A second recommendation revealed at the phase two interviews and discussed with all respondents is with regard to the support provided by Bord Bia. Indeed, the work Bord Bia undertake is of great value and this is acknowledged by all respondents however this is limited to the food industry. However, there were some recommendations for slight changes that could be made may improve the competitive position of Irish brands looking to develop and enter new markets.

Firstly there was a strong feeling from all interviewees that an ‘on board’ consultancy approach by Bord Bia would greatly benefit smaller Irish companies who do not have the time, resources or expertise to develop their brands. This would involve a more ‘targeted approach’ by Bord Bia involving actively contacting companies who may not realise their brand potential. Indeed, criteria for consultancy services would need to be met on the company’s behalf. Nevertheless, a more proactive role in brand consulting for SMEs with consumer brand potential is recommended.

6.6.4 'Catch All Brand'

Another recommendation which would involve the assistance of Bord Bia and Enterprise Ireland would essentially an umbrella brand strategy for international expansion. This was deemed a 'catch all' brand initiative by R3. This would involve pooling of resources from three, four and maybe five small companies which are all located in a specific geographic area. The idea is based on the philosophy, "the whole is greater than the sum of its parts" and that these small companies could join together, therefore receive larger financial assistance from government bodies such as Bord Bia than if they were on their own. The result would be an umbrella brand consisting of three smaller brands and the umbrella brand would be used as the focal point for all marketing efforts and promotion.

There would be certain limitations to this strategy such as a notable loss of attention for the company's individual brand and the pooling company resources with others. Nevertheless the long term advantages of this strategy could outweigh the negatives and it could be a beneficial option for smaller companies who have limited capital and resources.

6.6.5 Adopt 'Overall Brand Philosophy'

The final recommendation from respondents was to adopt a brand philosophy. This relates to a theme throughout this study which was placing importance on the brand. The brand therefore becomes a key driver of overall corporate strategy. Branding is the only way to achieve a competitive differential advantage for a business and this view was supported by all three interviewees. This therefore supports many authors in the brand literature in particular seminal authors such as Aaker, and de Chernatony.

Inherent within this recommendation is a need to focus on marketing as a key driver of the business. It is therefore a sub recommendation for the marketing function to

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demonstrate the tangible contribution it can make to the business. This theme was discussed and mentioned earlier in the chapter. Still, it must be stressed again the need for investment in marketing, with a long term focus where possible for long term growth of the brand. This recommendation supports and builds upon the Enterprise Strategy Group report (2004) which also advocated the need for a shift in focus by Irish companies towards marketing as a core driver of Irish business.

6.7. Recommendations for Irish Owned Consumer Brands Based on Research from this Study

Based on the conclusions hitherto mentioned relating to research objectives one to four, a set of recommendations for Irish owned consumer brands will be now outlined;

- Companies should look to have brand strategies which are deliberate in nature but also ensure a degree of flexibility to account for ever changing environmental conditions.
- Use of brand positioning as a means for differentiation is critical. It is important brand positioning is kept simple, clear and is communicated to all stakeholders.
- Companies should formally document the values, identity and personality of their brand(s). This document should be used as both a strategic management tool and reference for communication of the brand ethos for all stakeholders. Reference to this document should not be a one off exercise but become a fundamental part of company operations.
- Where possible, line extensions and range extensions offer the most logical method for growing the brand. Placing emphasis on branding using these strategies is advised but caution is also advised. If these extensions are not

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kept relevant to the brand values or brand 'ethos' this could be costly for the brand image and financially for the company.

- More importance needs to be placed on branding in Irish companies in a strategic sense. This relates to smaller companies more so than larger companies. Irish b to c consumer companies should adopt a 'brand philosophy' whereby the brand ethos is a key driver of overall corporate strategy and the brand is not just seen as synonymous with the product or as 'something that the marketing department deals with'.
- Key success factors for Irish consumer brands are placing importance of staff, having a clear and distinct brand identity and avoiding devising strategy according to how consumers perceive the brand image. These factors should be afforded importance and consideration.
- Companies should make considerable effort not to focus solely on short term performance. Understandably this is difficult, but when possible, long term brand investments, which are in line with the overall brand strategy, should be made.
- Companies should refer to the respondent recommendations such as test marketing; and seek as much assistance possible from Government bodies as an aid to overcoming the obstacles and inhibitors to developing their brand(s) internationally.
- A shift towards e-commerce or any adoption of new technologies is advised as a method to reduce costs, in particular those incurred by doing business in international markets.
- With regards to country of origin effects, promotion of an Irishness aspect is only advised if there is a 'quality' association with the product category.

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Promotion of COO does not provide a distinct competitive advantage otherwise. Promotion of COO is not a necessary requirement for success for Irish brands which operate in international markets.

- Although it exists, further emphasis could be placed on new venture creation and entrepreneurship in schools and third level institutions to maximise the opportunities for the creation of new indigenous consumer brands.

6.8 Limitations of the Study

With any deductive approach to research the literature will undoubtedly influence the findings. The survey was therefore structured around key categories in the brand literature and subsequently only the categories represented in the survey were reflected in the analysis and findings. However, this is noted by Saunders et al (2003) as an inherent flaw with research of a deductive nature and more specifically the survey technique. Yet the advantages of this method were deemed to outweigh the negatives and therefore this method was deemed most suitable for the research at hand.

The research area of this study was quite broad due to the infancy of the topic and the lack of any substantial previous research. The research focused on Irish owned consumer brands which covers all industries and market sectors. Even though it is noted throughout that this research is exploratory in nature, the fact that the research covers all industries may be deemed the research excessively broad. However this was acknowledged in discussed in chapter four. In addition, due to the broad nature of the survey, the number of follow up interviews, three, could be deemed too few for full qualitative exploration of the survey findings.

6.9 Suggestions for Further Research

Following on from the previous section, Future studies could focus on more specific industries or market sectors. This could therefore provide for a larger number of qualitative interviews and possibly case studies to further highlight incidences of best practice.

Future research in this area could use the same methodology but with a focus on Irish business to business (B to B) companies instead of consumer brands. Furthermore, research could also include other international cases of countries with a similar economic make up to Ireland, possibly Finland, so that comparisons and contrasts could be made with regard to the development of indigenous brands.

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Appendix

**Questionnaire and
Interview Theme Sheets**



Preliminaries

- Thanks for agreeing to do the interview and give up time
- Ask if they mind if I tape the interview
- Inform that I will be taking notes

1. Introduction to the study, some background information regarding the aims of the research and the interview.

RO's –

1. To identify key strategies for creating and developing global brand leadership in an Irish context and to examine attitudes regarding the concept of a global brand.
2. To determine the key success factors in successful brand development.
3. To identify obstacles and inhibitors to creating successful brand differential advantage for Irish companies and identify strategies to overcome these.
4. To examine attitudes from Irish brand managers perspective, regarding Irish brand development internationally.
5. To develop a set of recommendations for Irish brands seeking to enter new international markets and/or to strengthen their position in international markets.

Some general information sought about the role of the brand manager in Tayto and what the position involves on a day to day basis.

Questions:

Please give the following

Name:

Name of company:

Position:

Duration of position:

Please give a brief description of what your position involves. Some key responsibilities and some examples of day to day activities.

Please give a brief description of the company

- The principle areas of business/industry
- Company size?
- Number of Staff?
- Turnover?
- Number of countries they are in?

Brief Tayto History

- In your opinion, what were the principle driving forces for the growth of the Tayto brand nationally?
- What were the main reasons behind the takeover by C&C?
- Were there any key changes regarding the brand, that C&C implemented after the takeover?
- What efforts were made to defend Tayto's position as number one brand, against new competitors such as Largo's Hunky Dory's and Walkers?

Development of the Tayto Brand

- Can you tell me about the Tayto brand values?
- How does Tayto position its brand?

- Where are strategic decisions made?
- What objectives did Tayto have?
- What is involved in the strategic branding process at Tayto?
- Is strategy more deliberate or Emergent?
- Were there certain stages involved? What were the stages?
- Does Tayto have a set process for implementing branding campaigns?
- What were the major milestones or successes of the brand?
 - Tayto Honest, Tayto Nuts??
- Were there any failures / major difficulties encountered?
 - Walkers large product range?
- If so, can you describe these and how they affected the Tayto development?
- What would you say are the key restricting factors for the brand growth of Tayto?
- Why do you think Tayto has been successful and is an Irish brand 'icon'?

International development

- What is the relationship with Tayto Northern Ireland?
- What are the main reasons for Tayto not operating outside of Ireland?
- Was it a conscious decision not to grow the brand internationally?
- If Tayto was to expand into foreign markets, what factors do you think the brand could capitalize upon?
- Do you think Tayto could be successful outside of Ireland, without relying on a COO effect?

Current situation at Tayto

- What were the reasons for the recent sale of Tayto?

- Will branding and marketing strategy remain under C&C control?
- What obstacles do Tayto face today?
- How might these affect its opportunities for further growth?
- Can Tayto grow internationally?
- If so, why? if not Why not?
- What do you think is the future for the Tayto brand?

Findings from Survey

- Draw upon some key findings from survey and ask Elaine to give her thoughts.

- **1a!**
- **1b – 13 per cent!**
- 1c
- **2a!**
- **2b!**
- 2c
- **2d!**
- 2e
- 3c
- **3d!**
- **3f!**
- 4a
- **X4!**

- What does the term ‘Global Brand’ mean to you?

Irish Brand Development

- Given the strength of the Irish economy and emphasis on new venture creation, why do you think that Irish brands still suffer from lack of international success?

- How much of a role do you feel that the *size* of the Irish market hinders opportunity for Irish brands to be internationally successful?
- What do you think may be reasons behind the trend for Irish brands to ‘sell out’ or immediately look for exit strategies once they achieve international success?
- In terms of branding, is there anything you would ‘recommend’ specifically for Irish brands as a key success factor?

Thank You.



Bulmers Theme Sheet



Preliminaries

- Thanks for agreeing to do the interview and give up time
- Ask if they mind if I tape the interview
- Inform that I will be taking notes

1. Introduction to the study, some background information regarding the aims of the research and the interview.

RO's –

1. To identify key strategies for creating and developing global brand leadership in an Irish context and to examine attitudes regarding the concept of a global brand.
2. To determine the key success factors in successful brand development.

3. To identify obstacles and inhibitors to creating successful brand differential advantage for Irish companies and identify strategies to overcome these.
4. To examine attitudes from Irish brand managers perspective, regarding Irish brand development internationally.
5. To develop a set of recommendations for Irish brands seeking to enter new international markets and/or to strengthen their position in international markets.

Some general information sought about the role of the brand manager in Bulmers and what the position involves on a day to day basis.

Questions:

Please give the following

Name:

Name of company:

Position:

Duration of position:

Please give a brief description of what your position involves. Some key responsibilities and some examples of day to day activities.

Please give a brief description of the company

- The principle areas of business/industry
- Company size?
- Number of Staff?
- Turnover?
- Number of countries they are in?

Brief Bulmers History

- In your opinion, what were the principle driving forces for the repositioning of the Bulmers brand nationally?
- What were the main reasons behind the takeover by C&C?

Bulmers Brand Development

- Can you tell me about the Bulmers brand values, what are they?
- What is involved in the strategic branding process at Bulmers?
- Would you describe Bulmers marketing strategy as deliberate or emergent? Why?
- Does Bulmers have a set process for implementing branding campaigns? Seasons?
- Were there any failures / major difficulties encountered?
- If so, can you describe these and how they affected the Bulmers development?
- To what degree can Bulmers success be attributed to external market factors? (such as the rise of alcopops, which are now associated with underage drinking instead of Bumer)

International Development

- To what degree do you think Magners success is due to a COO effect?
- Given that Bulmers is restricted nationally. What would you say are the key restricting factors for the brand growth of Magners?
- In strategic terms, how would you describe Magners international brand growth?
- Given the nature of global branding in terms of standardization, how can Bulmers grow globally with two brand names for the same product?

Findings from Survey - Does Orlaith have any comments on the findings?

- What does the term 'Global Brand' mean to you?
 - **1a!**
 - **1b – 13 per cent!**
 - 1c

- 1e - Most companies do not have a BCS but those that have a BCS also tend to have an international brand. Trend here that BCS as a strategic document could aid international development?
- **2a!**
- **2b!** Relating to key success factors, respondents thought that major branding ksf's were placing importance of staff, having a clear and distinct brand identity and avoiding devising strategy according to how consumers perceive the brand image.
- 2c
- **2d!** Respondents also felt that there needed to be a long term focus on the KSF's and that **investment in strategy, planning and operations was needed**, but they also think that this poses a big problem as in their own positions they are under huge pressure to deliver short term results thus compromising brand benefits.
- **2e** they think that most Irish companies do not compete on an international level and think that not enough time or resources are afforded to building strong brands by Irish companies.
- 3c
- **3d!**
- **3f!**
- 4a Respondents generally concur that the reliance on FDI has stifled Irish international brand growth, but they also have mixed attitudes as to whether large scale international success should be the ultimate goal for an Irish company in the first place
- **X4!**

Previous interview topics

- Do you feel that the Government should play a more active role in supporting Irish entrepreneurs, More so than they do now with Bord Bia and Enterprise Ireland?
- How much do u feel could be gained by Irish SME's by having an external 'brand expert' consulting the company on growth?, Maybe say on a part time basis or as part of a scheme?

- How feasible a strategy is Magner's 'test market' approach to international growth for smaller Irish brands without large financial backing?

Irish Brand Development

- Given the strength of the Irish economy the emphasis on new venture creation, and the relatively 'small' size of the Irish market, why do you think that Irish brands still suffer from lack of international success?
- innovation is obviously key at Bulmers, but to what extent do you feel that this is a key success factor for Irish brand growth in general?
- What do you think may be reasons behind the trend for Irish brands to 'sell out' or immediately look for exit strategies once they achieve international success?
- In terms of branding, is there anything you would 'recommend' specifically for Irish brands as a key success factor?

Thank You.



Theme Sheet

Preliminaries

- Thanks for agreeing to do the interview and give up time
- Ask if they mind if I tape the interview
- Inform that I will be taking notes

1. Introduction to the study, some background information regarding the aims of the research and the interview.

RO's –

6. To identify key strategies for creating and developing global brand leadership in an Irish context and to examine attitudes regarding the concept of a global brand.
7. To determine the key success factors in successful brand development.
8. To identify obstacles and inhibitors to creating successful brand differential advantage for Irish companies and identify strategies to overcome these.
9. To examine attitudes from Irish brand managers perspective, regarding Irish brand development internationally.
10. To develop a set of recommendations for Irish brands seeking to enter new international markets and/or to strengthen their position in international markets.

Some general information sought about the role of the brand manager in Bulmers and what the position involves on a day to day basis.

Questions:

Please give the following

Name:

Name of company:

Position:

Duration of position:

Please give a brief description of what your position involves. Some key responsibilities and some examples of day to day activities.

Please give a brief description of the company

- The principle areas of business/industry
- Company size?
- Number of Staff?

- Turnover?
- Number of countries they are in?

Brief Waterford History

- In your opinion, what were the principle driving forces for the repositioning of the Waterford brand nationally?
- What were the main reasons behind the acquisition of Wedgewood?

Waterford Brand Development

- Can you tell me about the Waterford brand values, what are they?
- What is involved in the strategic branding process at Waterford?
- Would you describe Waterford marketing strategy as deliberate or emergent? Why?
- Does Waterford have a set process for implementing branding campaigns?
- To what extent did external factors, (maybe,, such as 9/11) affect the Waterford brand?
- How have the low cost crystal competitors affected the Waterford brand?

International Development

- To what degree do you think Waterford's success is due to a COO effect?
- In strategic terms, how did Waterford grow the brand internationally?
- How is Waterford positioned internationally?
- In international markets, to what degree are marketing operations standardized or localized?

Findings from Survey - Does Mr O'Donoghue have any comments on the findings?

- What does the term 'Global Brand' mean to you?

- **1a!**
- **1b – 13 per cent!**
- 1c
- 1e - Most companies do not have a BCS but those that have a BCS also tend to have an international brand. Trend here that BCS as a strategic document could aid international development?

- **2a!**
- **2b!** Relating to key success factors, respondents thought that major branding ksf's were placing importance of staff, having a clear and distinct brand identity and avoiding devising strategy according to how consumers perceive the brand image.

- 2c
- **2d!** Respondents also felt that there needed to be a long term focus on the KSF's and that **investment in strategy, planning and operations was needed**, but they also think that this poses a big problem as in their own positions they are under huge pressure to deliver short term results thus compromising brand benefits.

- **2e** they think that most Irish companies do not compete on an international level and think that not enough time or resources are afforded to building strong brands by Irish companies.

- 3c
- **3d!**
- **3f!**

- 4a Respondents generally concur that the reliance on FDI has stifled Irish international brand growth, but they also have mixed attitudes as to whether large scale international success should be the ultimate goal for an Irish company in the first place

- **X4!**

Previous interview topics

- Do you feel that the Government should play a more active role in supporting Irish entrepreneurs, More so than they do now with Bord Bia and Enterprise Ireland?

- How much do you feel could be gained by Irish SME's by having an external 'brand expert' consulting the company on growth?, Maybe say on a part time basis or as part of a scheme?
- Given the complexities of logistics for any growth, how feasible a strategy is a 'test market' approach to international growth for smaller Irish brands without large financial backing?
- The work Bord Bia do is great. But do you think that there should be a shift in focus, instead of smaller companies approaching Bord Bia for assistance, Bord Bia having a more targeted strategy and actively visiting and assisting companies whose brands may not be aware of their potential.

Irish Brand Development

- Given the strength of the Irish economy the emphasis on new venture creation, and the relatively 'small' size of the Irish market, why do you think that Irish brands still suffer from lack of international success?
- Do you think that sheer 'scale' is the main reason that there are lack of International Irish success?
- Strategic alliances have been key for development of Waterford, but to what extent do you feel that this strategy can be adopted by other Irish brands operating on a smaller scale?
- Do you think that many Irish brands to look for exit strategies once they achieve a certain level of international success?
- In terms of branding, is there anything you would 'recommend' specifically for Irish brands as a key success factor?

Thank You.

1. Introduction

This survey is designed to gather general information on branding for Irish business to consumer brands.

The research will explore the potential for the international development of Irish Brands. The research is being conducted by MPhil. candidate Aidan O'Curry at the faculty of business, Dublin Institute of Technology.

There are 24 questions. All responses will be strictly confidential.

If you require any further information or would like to comment on the survey please contact me at aidan.ocurry@dit.ie or on 01-4023041.

The survey will take approx 10-15 minutes. Click "Next" to get started with the survey, then simply left click on the appropriate responses.

Thank you.

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2. The Brand Concept

Page 2 of 5.

This section refers to different ideas and concepts regarding brands and brand strategy. Please answer questions as honestly as possible.

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1. Please state how many brands are managed by your company? (If there is a portfolio of brands please give the number of brands that make up the portfolio)

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2. Your product brand(s) may also bear your corporate or company name (Le in the same way that the Coca-Cola corporate brand is the same as Coca-Cola the product brand).

Is/are your product brand(s), the same as your Corporate Brand or Company name?

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3. In your opinion, how important is building a strong brand(s) to YOUR COMPANY?

- Highly important
- Somewhat important
- Indifferent
- Somewhat unimportant
- Unimportant

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4. In your opinion, how important is building a strong brand(s) to YOU PERSONALLY?

- Highly important
- Somewhat important
- Indifferent
- Somewhat unimportant
- Unimportant

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5. In your company, what is the title of the person who manages your brand(s)?
(Le 'brand manager', 'marketing manager' 'product manager')

*** 6. The following statements refer to current academic thinking regarding building strong brands.**

Please indicate to what extent you agree with these statements

	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
For a brand to be truly global, the product brand name MUST be the same as the Corporate brand name, i.e Coca-Cola, Samsung, IBM, Nokia	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A company's employees are the embodiment of a brand and can be considered the MOST important factor in delivering quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Often companies do not have a clear and distinct brand IDENTITY	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Companies devise strategy according to their brand IMAGE - i.e how CONSUMERS perceive the brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The problem with brand building today is that it requires long term investment in strategy, planning and operations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Management are under pressure to deliver short term results	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The benefits of building a strong brand are compromised by pressure for short term results	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Most Irish consumer product brands today do not compete on an International level	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
In general, Irish companies DO afford lot of TIME to building strong brands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
In general, Irish companies invest many RESOURCES in building strong brands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7. Please state (your level of agreement) whether YOU THINK the factors below RESTRICT the growth of branding activity in YOUR company

	Strongly Agree	Agree	Neither agree nor Disagree	Disagree	Strongly Disagree
Pressure to compete on price.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase in number of competitors.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Diverse range of markets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Diverse range of media	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Too much bureaucracy in the company (i.e red tape)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Too much bureaucracy externally (i.e government intervention, laws, regulations)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bias against changing strategies.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bias against innovation.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pressure to invest in other areas of the company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pressure to deliver short term results	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The organisational culture in the company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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*** 8. Please state, giving reasons, the MOST RESTRICTING factor (either from the list above or other) to building strong brands in YOUR company**

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3. Brand Strategy

Page 3 of 5.

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* 9. Please state your level of agreement with the statements below

	Strongly Agree	Agree	Neither agree nor Disagree	Disagree	Strongly Disagree
Brand strategy should be general so it can be adapted	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand strategy should be changed ONLY to suit instances outside of company control	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand strategy should evolve	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand strategy outcomes will often be different to those that were originally intended	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
brand strategy should be clearly pre-defined	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand strategy should have a SPECIFIC plan and objectives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand strategy should be reviewed regularly	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand strategy should ALWAYS be intentionally shaped by the company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand strategy outcomes should ALWAYS be what was originally intended	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

* 10. Brand Positioning.

Brand Positioning can be described as the activity of aligning the brand's benefits to just a few key product attributes. It is strongly linked to how the consumer perceives the brand compared to competitors. For example, the Ryanair brand is positioned as 'Low Prices - No Frills'.

Positioning helps to clarify general understanding of the brand position for the company, which can be communicated to consumers

Please state your level of agreement with the statements below.

	Strongly Agree	Agree	Neither agree nor Disagree	Disagree	Strongly Disagree
Brand positioning helps consumers in comparing against other brands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand positioning is a fundamental aspect to brand strategy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand positioning can confuse consumers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand positioning aids differentiation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Complete differentiation from competitors using brand positioning, is difficult to achieve	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand positioning is difficult to communicate clearly	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand positioning is a difficult concept to fully understand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand positioning is an area of strategy that is considered important by many Irish business to consumer companies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brevity in brand positioning is key - kept simple, it is more effective.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Brand positioning must be done in-house to ensure clarity of the brand message for the consumer, (i.e no outsourcing)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

11. "BCS" stands for "Brand Character Statement". This is a statement (about a page long) which helps develop and shape strategy by clearly outlining a brand's personality & identity. It is a reference document for all branding decisions which ensures consistency in all branding areas to all stakeholders.

Do you have a BCS or any similar document in your company?

- Yes
- No
- If Yes, please briefly describe what it includes

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* 12. Please indicate if your company has undertaken any of the STRATEGIC brand activities listed below (within the last TWO YEARS)

- Line extension of a brand (new sizes etc - same product category)
- Range extension of a brand (brand used in new product category)
- Created an 'umbrella' brand (Same brand used for multi ranges, different categories)
- Brand Licensing (licensing other companies to use your brand(s))
- Co-Branding (Forming brand partnerships)
- Brand Acquisition (Acquiring other brands)
- Brand Positioning / Re-Positioning
- None of the above (N/A)
- other (please specify)

4. Building Global Brands

Page 4 of 5.

This section relates to the development of brands to a global level. Please answer all questions as honestly as possible.

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* 13. Does your company have any brands which YOU consider to be 'International' or even 'Global'?

- YES
- NO

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14. If 'YES' please state how many

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* 15. Do you perceive there to be a difference between an 'international brand' and a global brand' ?

- Yes
- No

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16. If yes please state what you believe to be the main differences

17. The statements below refer to the key factors which influence whether brand can be considered 'Global' or not

Please state your level of agreement with the statements below.

	Strongly Agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
A Global brand MUST operate in its home market and MULTIPLE international markets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A Global brand must have brand recognition in the developed markets of EACH continent worldwide.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A Global brand must have balanced geographic sales of over \$1 billion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The Global brand name which is attached to the product MUST be the same in ALL countries in which the firm operates.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A Global brand must have a globally underpinned strategy, but where necessary, accommodates local adaptation of that strategy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A Global brand strategy must AT A MINIMUM adhere to a 70/30 ratio of standardization of operations, VS adaptation of operations to local tastes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A Global brand has to be inherently linked to its national image	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

*** 18. Please state YOUR LEVEL OF AGREEMENT with whether the following factors RESTRICT the opportunity for Irish brands to be successful at an international or even a global level?**

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Geographic Distance from other world markets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The pace of change in markets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The increasing complexity in markets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The increasing intensity of competition	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The firm's moral responsibilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The firm's social responsibilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lack of financial support for international development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lack of human resources for International development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The lack of sufficient organisational structure to facilitate and support international launches.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Unfavourable environmental conditions in other countries, such as high corporate taxes or saturated markets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lack of internal proactive approach to international brand building	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cultural differences	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

*** 19. Please state your level of agreement with the following statements**

	Stongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
The ultimate goal for Irish firms should be to achieve large scale INTERNATIONAL success	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The Irish are not like the Americans or other nations who aggressivley push their brands into other markets. Its not in our culture	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Once multinational success is achieved on a large scale, Irish brands always sell out, most major Irish successes are foreign owned because of this trend	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ireland relies on foreign direct investment to such an extent that, aside from a few exceptions, it cannot produce its own internationally renowned brands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The only way that Irish brands can achieve global success is through maximising the 'Irishness' aspect in the product and thus the marketing behind it	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5. Respondent Information

This information is for analysis purposes and like the information afore, will be treated confidentially

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*** 20. Please state your position in the company**

- CEO
- Managing Director
- Marketing Director
- Marketing Manager
- Marketing Executive
- Brand Manager
- Other (please specify)

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*** 21. How long you have held your current position?**

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*** 22. Please give the size of your company (number of employees)**

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*** 23. Please state your company's Year of Founding**

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*** 24. Which COUNTY in Ireland are you located?**

6. Thanks!

Thank you for completing this survey, again if you require any further information or would like to comment on the survey please contact me at aidan.ocurry@dit.ie or on 01-4023041 Thank You **Aidan O'Curry**