

Transcribing codes:



Models for cultural fit in branding

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This article is an annotation to
"Alchemy of Cultures - From Adaptation to Transcendence in Design and Branding",
Design Management Review, Boston, No.4/2001.
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Brands are structures and processes serving as messengers for contents and context within a constantly changing cultural environment. On their way from culture to culture, they are transformed. Upon entering other cultures, they are reworked, changed by and themselves changing cultures.

The brand: origin and destination

A good way for understanding brands and their products is by looking at their point of origin in an organisation. Looking downstream, a range of corporate departments and disciplines has been involved in the creation of the brand, all of which have their own culture or worldview. The worldviews of the finance department are different from the worldviews of the marketing department, which are again different from the design department; even within the design department, the graphic designers have a culture different from the product designers. All of these are rooted, at least to a degree, in the culture of the organisation. The design function could have been outsourced; Thus, the design agency brings in yet another corporate culture. The cultures of the involved organisations are rooted in their respective national cultures, which again are rooted in larger culture circles.

All these cultures contribute to the resulting brand in the way that their respective cultural codes are implicitly embedded as values in the brand. These codes determine content and context of the brand, which is then transferred to another culture. From here, we can look upstream: The brand arrives at another culture, which can be a customer segment in the own culture or an entirely different culture circle. In all cases, the embedded codes meet different receptors – customers whose worldviews are influenced by the cultural environment they live in. When the brand arrives at its destination, it is transformed by these worldviews, but it also transforms them.

We could imagine that the brand, while traveling, crosses an imaginary cultural diffraction prism, whose properties modify the coded content and structural extent of the brand. The extent to which the brand is changed depends on the distance of entry and exit points (we could call it the „cultural differential“) as well as on the properties of the prism, which is determined by the culture on the destination side. Codes, structure and surface of the brand are transformed in different ways: surface elements, like technical or aesthetic patterns, can pass with fewer modifications, while content elements, especially embedded values, norms and customs, will be either changed to a larger degree, refused or rendered unreadable by the destination culture.

A brand is a genre

The coded content of the brand consist of signs and meanings, which are produced by and produce worldviews and habits. The brand is a form of communication, a genre, which itself changes over time. There are other communication genres, if it is advertising, movies, newspapers or even subway tickets, all of which embody their originating culture and require a form of literacy to be read by the recipient. A subway ticket, for instance, requires the user to be able to read its content and context, which produces rules for its use – for instance, a pacific islander from Tanna, Vanuatu, coming to New York will not know what this small piece of paper means unless somebody told him what a subway is and how to enter it by using the ticket.

It also has to be learned what a brand is and what it stands for, a job usually carried out by the advertising industry. Brands are not isolated from other communication genres – we employ our knowledge of other forms of communication to make sense of brands. In fact, all communication draws upon previously learned meanings, meanings which can be very different from culture to culture. Therefore advertisement often employs stereotypes, and reduced communication codes to get their message across. However, also these reduced codes have their original cultural code implicitly embedded. The augmented values or glow of brands, what Neal Stevenson calls „loglo“, can become so influential to make brands become fetishes, as for instance Nike sneakers for coloured inner-city kids whose parents cannot afford them; They can change cultural habits, like McDonalds changes the eating patterns of South Africans. They are part of a larger pattern of increasing homogenisation inevitably coming along with globalisation.

Brands at the rims of the world

A eat-per-weight place in Manaus, Amazon, calls himself Ferrari. A village chief on the island of Yap in Micronesia wears a Boss T-shirt with his shorts; his other villagers wear skirts of palm leaves. A small tailor shop in Guangzhou is called Champs Elysees tailor; the tailor has never even been in Beijing. A man in Tanna, Vanuatu, proudly displays a Toyota key chain pendant. He has never seen any other car but the one Land cruiser on his island. Yet he values his possession as a fetish object for the “Jon Frum” island cult, which since WWII has been waiting and preying for John from America to bring them cargo. And an artisan in the bazaar of Marrakech likes to say “Just do it”, without knowing where the slogan originates from.

These people know products without their brands, are fascinated by brands whose products they have never seen and places they have never visited, take brands as fetish for their cult and use slogans without knowing either the brand or the products they stand for. They have not much in common, as they are living in entirely different cultures; Yet, what they do have in common is that they are not the immediate target of global marketing efforts, but still have seen or heard of the artifacts of consumer culture which have been created far away.

It is at the rims of the world where the magic of products and branding can be seen in its most disconnected form and thus purest clarity. These people do nothing else what people all over the world make out of what they happen to encounter: Their very own myths.

Both media deprivation and media overload are different extremes of the same effect: Communication noise, whereby the receiver gets only parts of the intended message. In places where the mass media are bombarding the consumers with an ever increasing overload of information and advertisement, we find other interesting personalities: The Korean teenager from a struggling family, which has a couple of “Arbeit”, side jobs, only to spend every Won on her expensive branded outfit. On the other side of the globe, but still not far away, there is a New Yorker teenager of the same age. She is concerned about the exploitation of third world labour by Nike and runs in an Anti-globalisation demonstration. Both of them have their myths as well, but also a big deal of realism, if it concerns the pressures connected to branded fashion for being socially accepted as a woman or the insight that ethical behaviour should be the responsibility of every business.

Cultural diffusion

A brand represents a value set which is supposed to add value to products and services in order be transferred and traded within an economic environment. So what can be done to analyse and optimise brands for acceptance in other cultures? Let's start with a look at anthropology:

The process by which traits of one culture spread to another, cultural diffusion, is central to the understanding for how brands and products are accepted by other cultures. Cultural elements undergo changes when they are diffused from one culture to another, different culture traits are received and interpreted differently. Technical and aesthetic patterns are adopted easier, while customs and moral concepts, including concepts of what constitutes norms and values, are more resistant to be accepted.

Thus, designs and technologies are diffused easier than values linking in some way to cultural norms. Clashes of brand values originating from one culture with properties and values of other cultures are possible on several levels, all of which have an influence on the success of a brand or product. We could say that brands are one expression of cultural forms.

Cultures are complex and often contradictory. Other cultures can embrace or refuse the product which sells well at home; consumers in different cultures might use a product in different ways and different contexts. In Europe, a TV set is a commodity which sometimes is made into a babysitting device, while it is a status symbol in India. Notions change over time, and trends are different in different cultures: The meaning of a “good household” was quite different in the fifties, and today it invokes quite different notions in Japan and Europe. Attaching tune-up accessories to midsize cars is definitely “out” in Western Europe, but is still very “in” in Russia.

Brands and products embody their own culture. Its constituents, values and design, are supposed to be living in a symbiotic relationship, as long as the company behind them is aware of the importance of creating a coherent impression. However, this relationship can easily become flawed. The symbolic quality of an outstanding design can overtake the brand, and a brand slogan, communicating brand value, can be stripped off both brand and product when they enter other cultures.

Aligning the organisation and the brand

An even larger challenge is the alignment of the organisation itself to its brands and products. Educated and well-informed consumers react sensibly to organisations which don't hold the promises they give with their brands by also showing responsibility towards local cultures, socio-economic circumstances or the environment.

Mostly, the marketing strategy of organisations operating in a global environment is planned centrally. The regional headquarters adapt and apply this strategy for the local markets. However, the resulting marketing strategy, conceived in the headquarters, still has local cultural assumptions embedded in it.

In the example of Wella, a globally operating German hair care company, the global marketing centre carried out extensive market research for a new hair colour product for men, which can be washed out easily. While it worked well in Germany, Austria and Switzerland, it was not received well in Spain and Portugal. In the United States it was received not as good as anticipated, while in Asia and South America it did not work at all. What was the reason? The "macho" culture in South America refused the notion of dying hair – a man is a man, and dying hair is considered to be a female pastime. In Asia, older men regularly die their graying hair in strong black to hide their age; However, here the product was considered to be not strong enough. In the US, showing grey hair became a sign of sophistication – Bill Clinton certainly was an influential role model.

Another example: Take-out coffee is the dominating coffee culture in the US. In Austria, there is a tradition of enjoying coffee in the „Kaffeehaus“, where people sit for hours to forget the daily stress, to chat and to read newspapers in a private and at the same time social atmosphere. In China, young urban professionals drink coffee to show their international attitude; however, the vast majority drinks only tea. In Europe and China, it can only appeal to young people who are attracted by the mythical value of American coffee culture, while it is incompatible on the functional cultural level. Also in Korea, "fast coffee" does not work well; Although Koreans drink American-style coffee, the coffee shop in Korea is a place to wait for and meet friends and possible spouses. The possibility to have a place to wait is important in Seoul, as the notoriously congested traffic makes punctuality often impossible. The coffee shop is also the favourite place for "blind dates", where young people meet who are considered to be a good match by their parents to check each other out and talk for hours in a semi-private setting. In all of these cultures, "fast coffee" is not entirely compatible with diverse, intricate cultural meanings and customs.



Starbucks, Beijing

Factors influencing cultural fit

The goal of helping brands and products to succeed in other cultures has to be cultural fit. This works on several levels, all of which are interconnected and have to be weighted differently for different generations, consumer types and environments within one culture.

A Japanese mother on vacation in Hawaii visits McDonalds to have food from “home”; As a member of the Japanese culture, which has a high ability to fuse other cultural influences while remaining uniquely Japanese, she regards McDonalds as the place to go when she is homesick. McDonalds, for her, is Japanese, not Western. At the same time, her son might dress so exaltedly “Western” that his mother thinks he is a „shinjinru“ (a „new human“) from another planet. A Chinese young professional might like American “fast coffee”, while his father, living in the countryside, finds coffee drinking offensive. People also have a private and a public side of their lives: The same Chinese father probably likes to have a cold Coke in privacy, while he would perhaps argue against the bad influence of American drinks on Chinese culture in public. Trends, ethical, individual and socio-economic factors influence cultural fit as well as cultural perceptions themselves.

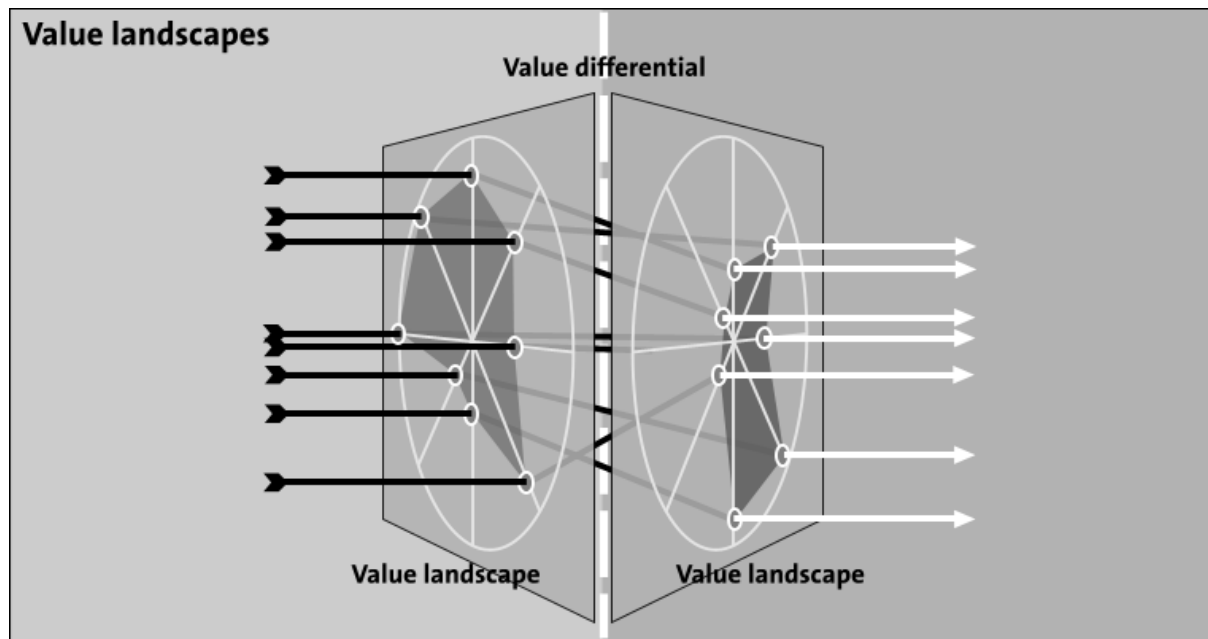


A shop in Bangkok

The cultural prism

Whenever a brand or product is to be introduced in another culture, you could imagine that it crosses a cultural boundary or prism separating cultural spheres. Imagine that it is a prism which is differently coloured on each side. The same thing looks different, depending which side of the prism you are.

The two differently coloured sides of the prism can be seen as landscapes which have different properties to carry out basically tree functions: to accept, change or reject certain notions and values. Between these value landscapes is a dividing boundary: the value differential of both landscapes. This prism allows certain elements, like technical or aesthetic patterns, to get through easier, and other elements, like values and customs, to be filtered out to a larger degree. Values pass through the prism along a „value trajectory“. The entry and exit points of values in the value landscape thus outline different value areas, depending on the amount of change happening in the value differential. Together with changes of the cultures on both sides, their mutual influence, and the influence of additional cultures the properties of the value landscapes change. Some influences, such as fashions and fads, change properties quickly, while properties like belief systems, norms and customs change more slowly. An symbolic brand, which can be described as a „closely packed“ value cluster, can pass through with little change, while complex and loosely packed value systems will experience stronger modifications.



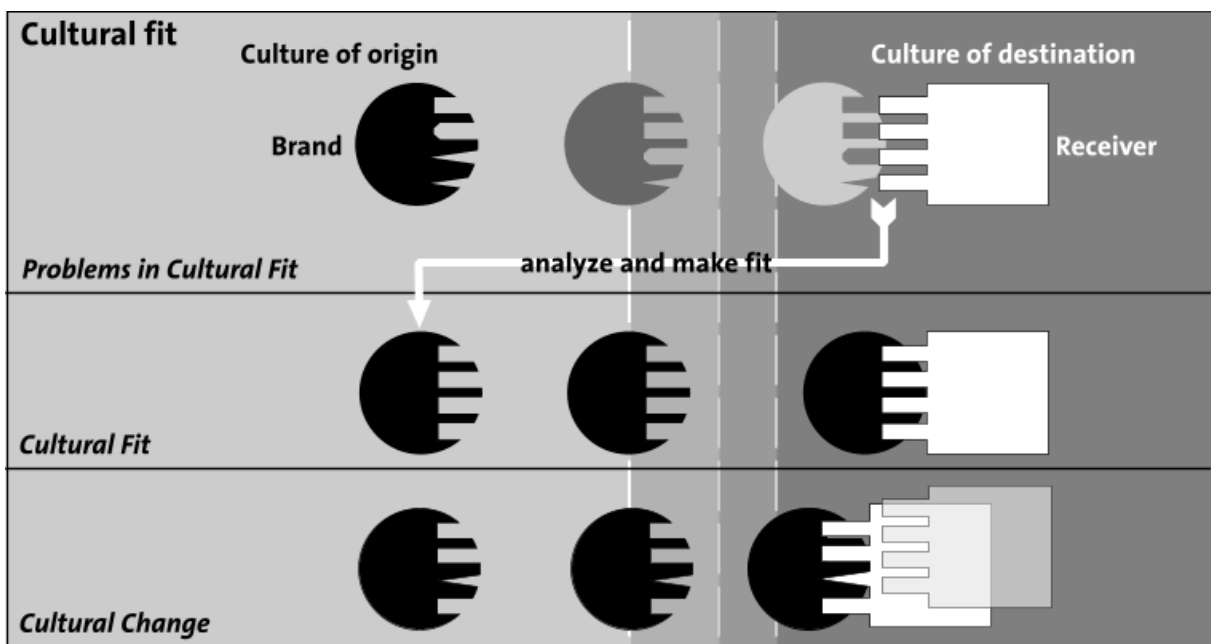
Whatever passes through the prism has changed its properties in several ways, according to the difference of the cultures on both sides. Whatever arrives at the other side is some modification of the original. Therefore different cultures perceive different images of a brand. For the individual customer, the brand passes additional prisms for his customer segment and individual perception.

It can be argued that brands and products which are developed and sold locally, thus not crossing the cultural prism, will be most compatible with its own culture. Until recently hardly known in the West, Lenovo is a local brand with a high brand awareness in China; other examples are Indian VIP luggage or Brazilian Brahma beer. However, a locally based, locally sold brand or product might lack the “exotic bonus” which makes affluent customers often prefer foreign brands and products when they are associated with favourable images. For instance, LG cosmetics in Korea carries the successful LacVert and Isa Knox brands for the domestic market, drawing on images of French and American culture. Truly culturally fit brands and products succeed in creating an intricate pattern of the foreign and the own.

Customers in Europe and the US increasingly prefer “authentic” products and environments. However, also the notion of authenticity is culturally filtered. For instance, a truly authentic Indian restaurant –a typical average restaurant just like in India- will not succeed with conservative German customers, as the food will be too spicy and the environment will be considered as being too unruly.

Cultural jigsaw puzzles

Another way to visualize cultural fit is by imagining the brand and the receiver of the brand, the final customer, as two pieces of a puzzle or a key and a lock. When there are incompatibilities between brand and receiver, the puzzle pieces do not fit to each other, and the brand or product does not reach its target. By analysing the incompatibilities throughout the levels in the framework, a brand or product can be made to fit its target. Cultural fit is not only a passive process: Symbolic value sets or innovative value compositions can influence the properties of the cultural, segmental and individual prisms, thus making the receiver accept previously unfitting properties.



A framework for cultural fit

It can be seen that there is a variety of interconnected factors at work. The framework for cultural fit is a summary of the most important factors to give managers and design managers an overview of the issues to be addressed when brands and products are to be made fit for other cultures.

These issues are more important for personal consumer goods; However, they are also worth considering for products like electronics, which are not necessarily inherently universal. For instance, LG was wondering why the new design of a walkman-cum-speakers, which sold well in Korea, the US and Europe, was accepted badly in rural China. The surprising reason was that the slim speakers of the product did give Chinese consumers the impression that they would not sound well compared to the bulkier speakers they have been used to.

Framework for cultural fit		
Level:	deals with:	Analyze:
ethical	Ethical stance	Does it respect environmental, socio-cultural and local cultural values?
iconic	Iconicity	Does it possess an occupied value set which is replaced by itself?
mythical	Beliefs about function and look, prestige, culture of origin	How is it believed to work and look? Does it have prestige? Does its culture of origin have prestige?
cultural	Norms Gender issues Value systems	Is it compatible with customs, norms, values and widely held beliefs?
functional	Technological function Aesthetics Situation Buying power	Is it working on a technical, ergonomic, aesthetic, situational and economical level?

The framework is an open system; it is divided into 5 basic levels, all of which interact with each other: Functional, Cultural, Mythical, Symbolic and Ethic. The analysis of your brands and products throughout the levels should make possible incompatibilities and chances clearer, thus allowing to make them fit for the culture of destination.

At the bottom there is a functional level, which determines if a product is working in technical, aesthetic, situational and economic terms in another culture: Shampoo, for instance, comes in small sachets in the Philippines, where the average consumer has a low buying power and in large bottles in Korea, where consumers are affluent and want quantity and quality (economic and technical factors). While Phillipinos prefer bright colours, Koreans prefer more subtle tones (aesthetic factors). In Japan, quality is associated with small and expensive packaging in pure colours (economic and aesthetic factors). Make-up cosmetics for Japan and Korea have to emphasize paleness, which is considered to be the ideal of beauty there, while for pale Europeans they have to emphasize a slightly tanned look (technical and aesthetic factors). Shops in developing countries are mostly lacking space; Here it pays off to deliver an appropriate, eye-catching display together with your product (situational factors).

The cultural level is probably the most crucial in making brands and products fit for other cultures. It determines if there is a cultural compatibility with the culture of destination; it deals with deeply engraved social and cultural patterns, gender issues, customs and rituals, which change only over the course of generations. The examples for “fast coffee” or hair colour for men illustrate the possible difficulties which can be encountered on this level.

The mythical level determines if a product is believed to look good, to work well or to be so superior to have prestige value. The perceived image of the culture of origin is also important here. A BMW, made in Germany, is believed to work reliably and to have prestige value, all of which is compressed into an symbolic value which is transferred most easily to other cultures.

A lesser known Japanese electronics brand is believed to work well, although it has less prestige and no symbolic value. Images of other cultures can be very powerful: The Venetian hotel in Las Vegas, for instance, created its environments according to an American image of Venice – it is straight, clean, new and bright, while a great deal of the charm of the real Venice is to be found in its crumbling palazzos and chaotic layout. This image of Venice is transferred through a cultural prism into a commercial context.

In another example, Barcelona succeeded in creating a brand out of the city by drawing on and extending existing images: It stands not only for Gaudi, but also for modernity, design and art. “Made in Germany” evokes connotations of reliability, strict engineering and clean-cut designs – German designs are even expected to look engineered, opposed to Italian products, which are expected to have chic, but don’t immediately evoke connotations of engineering. In yet another example, some affluent Koreans in the suburbs live in readymade houses, an odd fusion of New England exposed brick walls and German timber-frame houses; Images of different cultures have been transferred through the Korean cultural prism.

The very best an organisation can possess is an symbolic brand, possibly connected to symbolic products. Symbolic brands come closest to the notion of global brands. Some organisations over time have been able to create a brand which replaces a defined value set with itself, thus being an entity which is most resistant to different value perceptions in different cultures. An symbolic brand does not necessarily have to be prestigious, as long as it successfully occupies and defends a defined value set territory.

Occupation and defense of a value territory is not easy, as the success of Lexus in establishing itself in the densely populated luxury car category shows. A territory in the value landscape can also become obsolete with shifts in technology and culture, thus devaluing also symbolic brands when they cannot transfer their symbolic bonus to a changed value landscape.

Also this level does not necessarily overrule the other levels in the framework. The French farmer who attacked a McDonalds outlet in France became a national hero, as he protested against the alleged ignorance against the local community (ethical level), supported by the proud French food culture (cultural and mythical level). Kikkoman, the symbolic Japan-based premier brand for Soy Sauce, was for a long time refused in Korea, suffering from the problematic historic relationship between Koreans and Japanese. Here, negative historical connotations in a larger context destroy value in the mythical and cultural levels. Finally, also an ethical level influences consumer perception in different cultures. Brands are valued and regarded when the organisation behind shows responsibility towards socio-economic, local cultural and environmental issues, and can lose value when organisations have problems with these issues. For instance, multinational pharmaceutical brands, due to the issue of cash-expensive rights for proprietary drugs fighting common diseases, have a problematic image in Brazil. Some petroleum companies found their image value temporarily decreasing with their handling of oil tanker accidents and the worldwide distribution of images of dying, oil-covered seagulls.



LG outlet in Trivandrum, India

Let us look at an example to see how the framework can be used: Going back to the “fast coffee” example, the company, after it has analysed its brand and determined in which levels of the framework there are problems, might find out that it is the “fast” in their concept which is most incompatible with other cultures on the cultural level of the framework. The company then has to find out if “fast” is such an integral part of their unique brand proposition and core competence that a concept of “slow” coffee, which would be compatible with other cultures, would weaken their core brand values, or if the mythical level or “exotic bonus” of representing the American style of coffee-drinking is so strong, probably symbolic, that it can overrule the cultural level.

The values which define the core of the brand could be found to have a wider range which do not clash with other cultures, for instance “good coffee with reliable and consistent quality in a casual setting which can be found everywhere”. When these values are analysed together with the designers, they can go about to find creative solutions; They could come up for instance with an extension of the current layout, inspired by Italian coffee bars, where fast and slow coffee is coexisting. Or with a supported brand extension to “slow” coffee with different outlets, with designed environments which fit best to different coffee cultures while sensibly displaying the unique value of the master brand. The brand could probably also be extended to sensory qualities which are less culturally sensitive, for instance by creating a typical, distinctively branded coffee smell.

The mythical level is recently the subject of many branding efforts; It is argued that the creation of a strong emotional bonding can create universal value for brands. Emotional bonding depends on an extended value set which is attributed to the brand. However, it can be overlooked that even the most wide-reaching values are not necessarily universal, and shared in the same way by other cultures.

For instance, the notion of basic human values like “individuality” or “freedom” is different from the western notion in most parts of Asia, where the benefit for the group takes precedence over the benefits for the single individual. Individuality is an ambivalent notion also in Japan, where too much individuality can be seen as an egoistic and unsocial trait. Japanese corporate and social groupthink and Japanese youth culture with its emphasized expression of Western individuality in clothing and lifestyle, which of course creates a strong group pressure itself, are mutually exclusive and often subject for heated debates about national Japanese cultural values. While defined segments of the young generation in Japan can be targeted successfully with brand values emphasizing individuality and self-expression, the same brand can be strongly refused by young conservative segments of the Japanese market. This effect is worth considering unless the intention is to build a “rebel” brand.



Nestlé billboard, Beijing

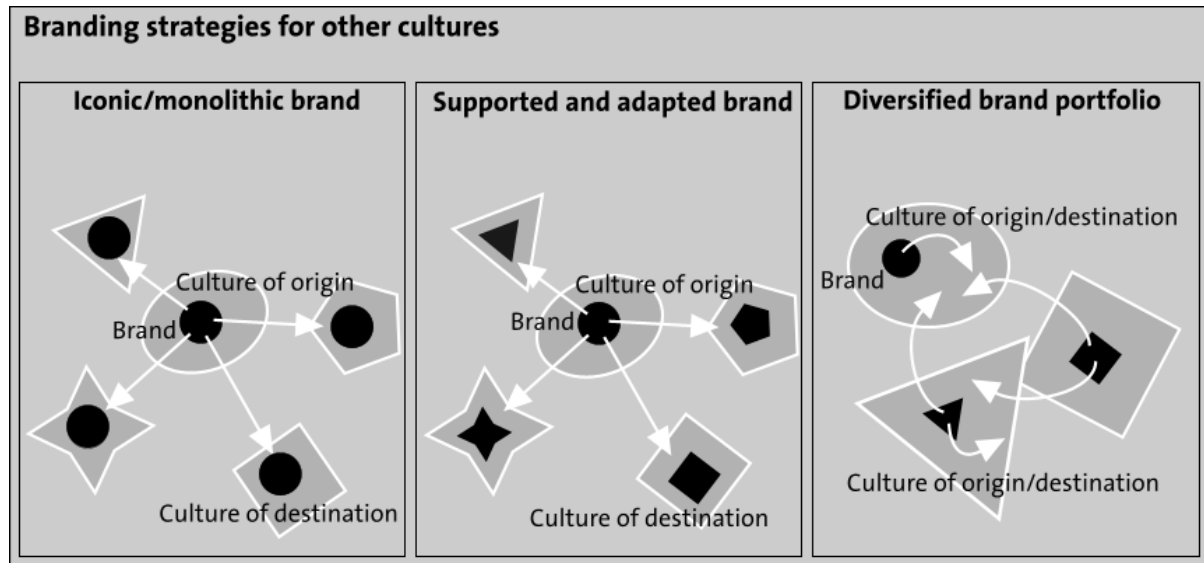
Some brands, seeking to extend their customer base, augment their core value with ever increasing, wide-ranging values like art, competition, or freedom. This is often too much of a promise an organisation can handle throughout its value chain. Customers are increasingly aware of the structure and functioning of the corporation behind the brand.

Naomi Klein argues that the visible incompatibility of brands promising far-reaching human values and perceived unethical corporate behaviour like the exploitation of third world labour can severely hurt the image of a brand; Thus, corporations can easily become victims of their own brand promises when they miss to align organisational practices to their augmented brand values. There has to be a corresponding, meaningful relationship between the brand and its value. A sports shoe brand, for instance, can stand for competition and personal success in athletics; However, is not about being a complete person. It should indeed be emphasized at this point that brands can augment personal values, but they cannot make persons. Persons, however, can become brands – movie stars are an example. Additionally, inflated value augmentations can blur core brand values, making them less distinguishable from competitors using similar wide-reaching value sets. On the other hand, symbolic brands are in danger of becoming a commodity when they don't find new ways of adding value and sense to their brand core over time.



Pepsi billboard, Beijing

Cultural fit and brand architecture



When developing a new brand, extending or repositioning an old brand and associated products for other cultures, the process is as follows:

- Unless the company is a start-up, it has a history. Study this history to find out about the organisational memory in previous brands and products. Depending on the company, its history, past behaviour, products and brands can be an asset, but can also turn out to be a liability.
- Determine the Status Quo. Carry out a brand and product analysis, compare them to the competition, find out what your stakeholders think.
- Determine where you want to go: What you want and how you want to do it at which time in which market.
- Carry out an analysis of cultural fit throughout all levels of the framework.
- Decide on the brand architecture, build brand and products with your culturally literate designers, and check back the cultural fit.

Cultural literacy

Corporations themselves have their unique culture which determines how they are and how they act. They are social organisations with own value systems and their very own brands, which are shaped by the Anglo-Saxon culture: CEO, COO or CFO are some of the more sought-after brands in a corporate hierarchy, which often come hand in hand with a set of prestigious brands for clothing or cars which mark the status of their driver

in the hierarchy. In Germany and Asia, most companies even have a predefined hierarchy which determines which level of hierarchy receives which brand and size of company car.

In the ideal organisation, every part should reflect the whole, while the whole should be more than the sum of its parts. A learning organisation is constantly seeking to self-improvement by learning, and learning how to learn. For internationally operating organisations, a part of this learning process must be the learning of cultural literacy. When everybody involved in the branding and product development process has a basic understanding of the cultures the company deals with, cultural literacy will influence every important decision concerning markets in other cultures. Cultural literacy could be defined as being able to see through somebody's eyes or to stand in his shoes, what ethnography calls the „emic“ viewpoint.

Cultural literacy is an important part of investing into relationships with stakeholders. For marketers and designers, it means to engage in an ongoing conversation with stakeholders in different cultures; It means to listen and understand, not simply to repeat what customers utter and forming that into products. It is about ideas, research and cultural sensitivity, involving the disciplines of management, design, marketing, sociology, ethnography and anthropology. When it comes to create these intelligent answers, it is about enriching culture, not about reducing it with stereotypes. It needs culturally literate designers, marketers and CEOs with a holistic viewpoint who understand other cultures and are knowledgeable of other involved disciplines.

