Global corporate brand building: Guidelines and case studies

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Abstract
Corporate brands are important in an international context, but only if they are managed in a manner that adds value to the international corporate offering, and are a continuum of the overall corporate strategy. The objective of this paper is to investigate the factors affecting the success of corporate brands globally. Two case studies are used to ascertain the importance of cultural dynamics and British national identity in the context of successful brands. It appears that corporate brands are only important if they successfully translate the core value proposition of the corporate offering into new territories.

INTRODUCTION
Many management theorists explore the concept of branding, but few come close to clearly defining exactly what makes a brand successful, other than that it relates to the successful use of information.1-3 As stated by Keegan,4 'brands are all about information'. This assertion is largely due to the myriad of internal and external factors that affect a brand on a unique case-by-case basis. Porter,5 however, cites a simple equation for calculating successful brands:

\[ S = P \times D \times AV \]

where: \( S \) = successful brand; \( P \) = effective product; \( D \) = distinctive identity; \( AV \) = added value.

In this paper an assumption is made that an effective product is a semi-fixed factor in this equation, and is only updated periodically based on market research. In addition, assumptions are made that distinctive identity and added value, as variables, are the factors that need to be manipulated effectively by the marketer, in conjunction with the company, in order to maximise the brand's effectiveness, and therefore importance. In evaluating means to establish a distinctive identity and added value, environmental analyses will also be required.

Using the formula above, and other academic brand guidelines developed by Kotler et al.,6 Randall7 and Keegan,8 this paper examines the factors affecting
the success of corporate brands in an international context. The importance of corporate brands will then be assessed using two case studies, and will also include discussion relating to the importance of cultural dynamics and the British national identity.

CREATING SUCCESSFUL BRANDS

In considering Porter's formula for successful brands, this paper will examine the guidelines for successful branding that other notable academics have developed. These can be summarised as the 'seven rules':

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.

If a corporate brand is linked to its corporate strategy, the entire firm will 'live and breathe' the brand and the brand will be created in line with corporate objectives. Every aspect of the firm will reflect the brand values and essence, and customers will be able to readily identify with the strategic identity that the firm is endeavouring to carve — for example, Rolls Royce and opulence. With a corporate brand, value will be added to both customers and the firm. Customers will benefit from clearly defined expectations of both the current offering and direction of the firm. The firm will benefit from a consistent internal 'playing field' on which to operate, and from employees who can readily identify their corporate direction. If the corporate brand is not linked to its corporate strategy, there is a risk that service, quality and communications will be inconsistent between divisions and across geographical locations. As posited by Upshaw and Taylor:

'There often appears to be a greater likelihood of achieving business goals because the organization, and supporting community, are a more cohesively unified army of brand believers who sustain their businesses in even the most competitive environments.'

2. A brand should be a shorthand summary of its company.

A unique and differentiated identity that evokes the brand's essence, individuality and values in each market will help make the brand memorable and readily recognised. It will help customers understand what that company stands for, its aims and values, and what they might experience from that brand. The brand summary can add value to customers by offering an instantly recognisable benefit, such as prestige or affinity. For example, if one sees the Coutts & Co brand, one automatically thinks about royalty, classic private banking, Englishness and quality. Corporate strengths and values can be difficult to encapsulate and communicate, especially for service-oriented companies. For example, the expertise and knowledge of a sales force cannot be quantified. It is easier to communicate the scale and scope of a company rather than its service quality. Schultz posits that:

'The corporate brand, in addition to being the core of the branding process from which product brands often generate their value,
also provides the necessary integration elements that bring and hold the organization together.

3. A brand must have a consistent positioning, appearing the same everywhere with only minor variations.20

A successful corporate brand should be recognisable in any market and should represent a predetermined set of values and level of quality. For example, watching BBC television in Oman establishes a certain expectation for the viewer; the service may be tailored to its market, but because it is the BBC, a certain quality and type of programme are presumed. Value is added to the firm by creating economies of scale and scope. Additionally, the management and control of a consistently positioned corporate brand is made easier. For customers, a corporate brand can meet certain social and esteem needs,21 together with distilling a want for the comfort of familiarity. Businesses using management consultants McKinsey’s can feel safe in the knowledge that they are obtaining services from a consultancy firm that is perceived to offer the best advice in its field.

Controlling a corporate brand that is consistently positioned will require alignment to corporate strategy in order to ensure that all elements of the brand are accepted and subsumed across the organisation. Failure to control consistent positioning could lead to differing perceptions of the brand across geographical locations. This could ultimately affect sales if a consistent pricing strategy is applied across a firm where in one region the brand is viewed as prestigious, but elsewhere it is viewed as cheap. Ind22 emphasises that:

‘Global brands can only be truly global if they are significantly the same in most of their markets. This requires recognition of the source of an organization’s global advantage and the management of global strategies and structures.’

4. A brand must use a broadly constant marketing mix.23

A corporate brand should be relatively standardised, but the promotion of that brand can create and enhance identity if local requirements necessitate minor adaptation.24 This will lead to a greater affinity for the brand on a local basis, whether consciously or subconsciously. Scotch whisky has been traditionally targeted at more mature segments in the UK, although it is the leading spirit in Spain and is consumed by younger and more fashionable segments in Spanish-speaking countries. Value can be added to the corporate brand by adapting the marketing mix to meet local needs. For example, although a recognisable international brand, Boots pharmacists design their branches dependent on geography. Although branch design is not likely to directly impact demand, such aesthetics, when tailored to regional tastes, can provide an enhanced purchasing experience for regional customers. Although this is not likely to induce a paradigm shift in purchase decisions, it does ensure local customers are more likely to receive the experience they seek. Adapting the marketing mix too much could easily lead to customer confusion where they will receive a vastly different experience of the brand from one country to another. There-
fore, strong control and alignment to the overall corporate strategy are imperative. As stated by Ind:25

'Consistency is only possible when there is a single and sufficiently powerful source of authority.'

5. A brand must deliver value, be defined in consumer terms and provide a sense of security to its users and makers.26

A corporate brand must be a brand that consumers can relate to positively. The cigarette brand ‘Death’ had an initial ‘fad’ factor, but even if the product was the best on offer, the brand name was never going to embellish long-term loyalty. A brand that is easily interpreted by its users is more likely to succeed. Value can be added by taking this interpretation beyond what the brand’s core proposition stands for. For example, Mars has succeeded internationally by telling consumers that their chocolate bars help them ‘work, rest and play’. Similarly, the marketing consultancy Imagination has become a market leader — The Times newspaper categorised the company as fastest growing among UK companies for three successive years. The consultancy has branded itself comprehensively using its corporate name to extol the corporate offering and thus establish customer loyalty. Corporate brand values and identity can often be difficult to comprehend. According to Sampson brand identity is:27

‘a relationship that secures future earnings by securing customer loyalty ... the only asset any company will have as it moves into the future is its intellectual capital, often made up of brands.’

6. A brand must have a continuous relationship with its buyers and users.28

A corporate brand that purports to understand and listen to its customers will have more chance of acquiring and retaining customers. Customers’ experiences of using the brand will serve to strengthen the brand’s identity as having a customer orientation.29 Through research into brand perception and the corporate offering, companies can identify whether or not they are meeting customer requirements, and also identify areas where improvements are needed. The research must, however, be undertaken with a full understanding of the market. Additionally, through understanding customers, their expectations and demand patterns can more readily be predicted.30 Involving customers in the branding proposition opens an uncontrollable set of variables. This is particularly true for service-oriented brands. Schultz31 purports that:

‘Unless and until there is a clear and consistent view of what the corporate brand represents, product brands may go off in different directions, often confusing customers and prospects in the process’

7. A brand should provide a platform for innovation and differentiation.32

A brand that endorses those ‘rules’ outlined above will have a strong enough understanding of its own values, as well as those of its customers, and will be moving in line with corporate strategy. Following this through, the brand will be viewed as innovative and differentiated in so much as it is fully meeting customer
requirements in the most effective way open to it. Corporate brands cannot stand still. In the medium term it is possible for competitors to copy those aspects that have provided the advantage. It is therefore imperative for them to innovate continuously. Keegan\textsuperscript{33} postulates that:

'The essential characteristic of a world brand is not an absolutely uniform marketing mix or execution. A world brand is guided by the same strategic principles, is positioned the same in every market, and follows the same marketing approach in every market with the caveat that the marketing mix may vary.'

**GLOBAL CORPORATE BRANDING**

**Importance of the corporate brand**

Companies have a variety of branding options. Broadly, these fall into four categories:\textsuperscript{34}

1. Corporate brand: British Airways (BA).
2. Individual brand names: Go.
3. Company and individual brand names: Mars (company and chocolate bar).
4. Manufacturer's name and reputation: Marks & Spencer/St Michael.

As companies expand globally and their revenues swell, the importance of many international firms and their brands has equalled that of certain countries and regions. O'lin\textsuperscript{35} states that corporate brands are often much better known than nations. For example, the global sales total for the Ford Motor Company in 1999 was greater than the GDP for Greece, Ireland and Luxembourg combined.\textsuperscript{36}

By using a corporate brand, companies are able to have a singular identity. This identity can serve to concentrate the perception of that brand and, if created effectively, to add value in the international arena. What are the advantages and disadvantages of corporate brands?

The use of a corporate brand will give a certain amount of reassurance to both customers and employees. Customers in the country of origin of the brand will be able to identify with a firm they are familiar with, managing their expectations of what would be experienced if that brand were chosen while abroad. Customers of foreign countries would identify with the experience of that firm in its domestic market and, in certain cases, would expect to experience certain aspects of service that are particular to that country (as in the case of the BBC). For corporate employees, there would be a reassurance that given the strength of their brand domestically, they were not creating a new entity, and that in moving internationally, the values and strengths of that company would be continued abroad.

For many companies, the appeal of using a corporate brand is simple economic viability. Managing and developing a single corporate brand is a far simpler and cost-effective task than managing a portfolio of country- or region-specific brands, each with their particular nuances. Therefore, international expansion of a corporate brand will create economies of scale in its own right. Proctor & Gamble (P&G) has recently taken the unprecedented step of using P&G as a brand in certain countries, regardless of the depth and range of its offering.\textsuperscript{37}

There are, however, also potential
disadvantages in using a corporate brand. A company may have a highly disparate portfolio that could not be encapsulated by one overarching brand. This would dilute the identity of the brand as users become confused by exactly what the company is offering. A company entering a new national market may be able to spread its risk by using an individual brand that in essence can afford to fail. Failure of an individual brand would cause some damage to the reputation of the heritage corporate brand, but in theory that company could reintroduce itself to the market under a different guise at a future date. If a corporate brand were used to enter that market, failure would cause irrevocable damage to the company, and would most likely curb future participation.

One of the most common issues when deciding whether to use a corporate brand internationally is complication. Although a corporate brand would, in most cases, reduce complication for customers, the company itself has to ensure that the brand essence, identity and values of the heritage brand are retained abroad. For impersonal aspects of the brand such as infrastructure and technology, this is not necessarily an issue, but for aspects of the corporate brand such as customer service, quality and staff training, natural human individualities and cultural ethics make enforced consistency a grave concern. Ind38 states that:

‘Implementation has to take account of the organizational structure. If countries traditionally enjoy significant autonomy then trying to impose campaigns from the center will be hard fought. In organizations with diversified authority, maintaining tight central control is not a long-term option.’

The more short-sighted company may not be able to identify any clear benefits from using a corporate brand abroad. While this may be true for firms with disparate offerings, as mentioned above, for those companies with a core offering, failure to identify benefits would indicate that they have not truly understood what it is their brand stands for, and suggests that the corporate brand is not linked to the corporate strategy.

Moving abroad and the global environment

Keegan39 stated that:

‘Any company wanting to develop international or global brands should have a clear idea of why and what exactly they are trying to achieve.’

There are several reasons why a company would consider taking its brand internationally. These include choice (growth) or force. The most common motives are: survival; competition domestically is too tough or saturated; profit; clients are going global; to satisfy shareholder demands for growth; and merger and acquisition targets are not viable. Although recent arguments relating to globalisation indicate that there may be massive untapped potential to be extracted, many companies fail to take into consideration the potential pitfalls that global corporate branding holds, namely:

— markets are actually different
— local markets have different histories and structures
— brands designed for global markets are the lowest common
denominator in terms of tailored customer-oriented brand offerings.

The issues discussed so far have all focused on aspects over which the company has control, to a greater or lesser extent. Perhaps the most critical factor that many corporate brands fail to take into consideration, however, is the external environment of the markets in which they wish to participate. A standard market analysis will unearth the predominant characteristics of a given market, and enable the company to ascertain whether that market holds potential for their brand. The issues are:

— changing patterns of satisfaction levels
— changing patterns of demand
— changing uses, usage and user groups for the corporate offering
— macroenvironmental changes: political, economic, social, technological
— whether any competitors offer similar or same offering in countries where expansion is planned
— whether competition is global, local or both (‘glocal’)
— how the company retains flexibility and changes in line with market opportunities
— how the company retains creativity without becoming ‘too large’.

Although a traditional market analysis would specify overall market potential, it often fails to consider the central external factors facing international expansion of a corporate brand — culture and the importance of national identity. Culture is the set of basic values, perceptions, wants and behaviour learned by a member of society from family and other important institutions. There are many ways in which the impact of culture upon corporate brands reveals itself:

— Each culture may have a different meaning for colours and numbers. For example, the number ‘4’ signifies death in Chinese culture.
— Names can mean very different things in different countries.
— Time may have different meanings between cultures — some value it to the second, but for others it is more flexible. For example, a meeting in the USA may last 15 minutes, whereas the same meeting in Sweden may last three hours.
— Cultures may have different attitudes towards people, most notably between sex and races. It is uncommon for women to hold senior positions in Muslim countries.
— The role of people in society may differ between cultures, for example, some cultures place greater emphasis on teachers than others.
— Different cultures have varying priorities for the meaning of life. For example, Buddhist countries differ greatly from Protestant countries in this respect.

Different nations have differing degrees of national identity. Not only does this take the form of patriotism, but it can also determine how likely a nation is to endorse the brand of a particular country. In order to understand this opportunity, the corporate brand must first understand the perception it has in terms of nationality, and more importantly, does that perception of nationality help or hinder it. Hofstede
prescribes six dimensions that a corporate brand should understand about its perceived nationality and the degree of national identity held by its target market:

1. What is the concentration of authority, and what is the degree of centralisation and leadership?
2. How does that nation structure its activities?
3. What are that nation’s gender orientations?
4. Does that nation promote individualism or collectivism?
5. What perspective of Confucian dynamism does that nation take, short term or long term?
6. Is that nation ethnocentric, polycentric or simply patriotic?

Combining cultural and national identity analyses with a standard market analysis will establish a full understanding of the likelihood of a corporate brand succeeding in a given country. Upon analysis, segments may be identified that the corporate brand could possibly satisfy, although those segments may pale into insignificance alongside an unattractive national market. For example, there are various pockets of affluent consumers in Yemen, although as a country it would not necessarily seem attractive to enter.

In summary, there is a need to seamlessly integrate the strategic needs of the global brand with the tactical necessities of the local marketplace, but this must be done with an equally integrated global marketing staff. In addition, there is also the need sometimes subtly to refine the global positioning to fit a given region, without losing its core meaning. The authors also conclude that a mere ‘distinction’ is sufficient in today’s hyper-competitive markets as opposed to achieving strategic superiority in the minds of the company’s customers and other constituencies.

The next section illustrates the international challenges faced by corporate brands in the context of the success factors discussed in the first part of this paper. Two British case studies are used as examples to highlight the complexities in determining success or failure of a corporate brand in the international arena. First, the notion of the British identity is explored.

**Britain plc**

With over 60 million staff and a market of 7 billion, Britain plc is an astonishing organisation. Disloyal staff and confused values have, however, denied the British brand from achieving its full potential. From rulers of the empire, winners of world wars and world cups, Britain fell from its pedestal as it forgot to remember what had made it great, but more importantly it forgot to find out what its customers wanted. It appeared that Britain had degenerated.

“There are few places on the globe where the sun has not recently set on the expansionary ambitions of British business.”

As Britain declined, global companies, including Jaguar and BA attempted to extricate themselves from branding themselves with Britishness. In recent years, the international perception of Britain has again improved, alongside a rebranding of Britain by consultants Wolff Olins for Tony Blair. This has resulted in many of those brands that
had denounced Britishness returning home to the fold.

As communications and technology develop, the world becomes more identifiable and pockets of like-minded consumers appear irrespective of nationality; what was initially an unattractive country for entry may now be worth considering. Identifying these target segments is critical. Furthermore, the corporate brand should initially target those segments that are likely to look most favourably upon their offering. For example, Morris Minor cars are particularly popular in Sri Lanka and India, an attractiveness that may stem from positive past colonial sentiment.

"For better or worse, national stereotypes are not figments of the imagination .... the variability of a global brand is not dependent upon the homogenization of consumer tastes at all. Many of the same consumer segments show up in many different countries. Nationality is rarely the primary basis of segmentation."

Case study 1

The BBC

The BBC corporate brand is synonymous with everything that is British. For decades, BBC television, radio and the World Service have broadcast around the globe. The BBC has viewers and listeners in every country worldwide and its brand appeal is second to none in its market segment. Even the onslaught of cable and satellite television has failed to erode this. But what has made the BBC corporate brand so successful internationally?

The BBC brand is the BBC product, and the BBC strategy is the BBC brand. There are few companies that can lay claim to having its brand and strategy so closely aligned. Regardless of where in the world one is, sight or sound of the BBC brand evokes a sense of no-nonsense quality that is built around every positive stereotype that Britain has ever stood for: conservatism, fair play, global aspiration, heartiness and truth. It is what it says, the British Broadcasting Corporation. The primary success of the BBC brand is its consistency. Taking those attributes outlined above, the brand rarely aspires to position itself outside of those parameters. Due to its offering, the only aspect of the marketing mix that is ever adapted is the product, or service.

This only serves to endear the brand further in the minds of international viewers and listeners. They can experience Britishness, but Britishness that has been adapted to their tastes. A viewer in India does not watch Magnus Magnusson presenting Mastermind, the Indian version (in the Queen’s English) is presented by an Indian. The news in Argentina is not presented by a man from Surrey, but by a Latin American, again in English. The stated promise of the BBC is directed at consumers: ‘We promise a richer mix of TV and radio for everyone’; as are its objectives:

"Be accurate and truthful; be unbiased, testing controversies in a balanced way across BBC output; be sensitive to the different tastes and beliefs of viewers and listeners."

The BBC has established a loyal relationship with its customers through the provision of trusted news, reliable information, entertainment, extensive internet offerings and educational op-
opportunities in conjunction with the Open University. The brand is differentiated by nationality like no other brand. It is never awe-inspiring media, nor is it dreadful, but it is always consistently good, and frightfully British. In terms of adapting its brand to individual cultures, the BBC has focused on those cultures with which Britain has the strongest affinity, namely nations that were either allies in war, or that were former colonies of the Empire. In all cases the adaptation is limited to a greater emphasis on regional programming and presentation by regional representatives. The national identity of the BBC will always be British, and will always be expected to be British. Those who dislike Britain will not become viewers or listeners, but those target segments are not part of the corporate strategy. One can argue that this is absolutely fine for a nationalised industry whose overseas operations are subsidised by the British taxpayers and still closely linked to the activities of the Foreign Office. But it is perhaps less acceptable for a company that actually has to sell goods to survive. In terms of applying Porter’s formula for successful brands to the BBC, it may appear as follows:

\[
\text{BBC} = \text{largely standardised programming} \times \text{Britishness} \times \text{an implicit understanding of consumer requirements and regional variances.}
\]

**Case study 2**

**British Airways**

BA has established a brand that instills confidence, and which is able to manage consumer expectations, using a brand name that is what it says — a British airline. For passengers returning to London from a business trip, boarding a BA flight in New York holds a sense of ‘being home’. The brand has suffered from ill-guided positioning and lack of strategic direction over the past decade. In line with a downturn in the global perception of Britain, BA dropped its Union Jack tailfin brand insignia and began to rebrand itself by adopting what it described as ‘ethnic designs’ on its tailfins. This resulted in outrage and confusion among its passengers globally; sales began to fall.

‘It was not an easy birth, costing £60m, and to a somewhat hostile reception. Particularly unhappy was the reaction of one elderly aunt, Margaret, who was so disgusted by the sight of the newborn that she tried to cover it up with a handkerchief from her handbag ... The company’s intention, replacing the Union flag tailfins with something more modern, was to create a cosmopolitan feeling airline, not one trading on past glories of the Empire ... some observers thought an airline which did trade on past glories but which made pots of money was preferable to one which did neither.’

In 1999 BA announced that it would replace the ethnic tailfins with the Union Jack and call itself ‘British Airways’ once more. Rather than focus on changing its brand position based on visual identity, BA began to focus on a negative growth/high yield strategy, preferring first and business class sales rather than those from its core economy passengers. Again sales began to fall, declining in all regions between 1998 and 2000. Although this corporate brand strategy adopted consistent use of the marketing mix across the globe, promoting ‘premium travel at a great price’, the strategy has
not been well received by financial analysts who doubt its sustainability.\textsuperscript{49}

In the early part of 2001, BA further damaged its relationship with its core economy passengers by selling its low-cost airline Go (making a profit of only £75m), shortly after its new CEO had issued the following statement: 'I have been at pains to stress that British Airways is not just about business class passengers. Some 85\% of our passengers travel economy.'\textsuperscript{50} The same month, BA announced that it was making more money from each customer than it had done since privatising in 1987.\textsuperscript{51} Again its core customers were furious with the brand. Days after it sold Go, the following article appeared in a national newspaper, signifying yet another repositioning of the brand: 'British Airways will slash fares on 80 of its European routes this week — marking a spectacular abandonment of its policy of concentrating on high-spending passengers.'\textsuperscript{52}

Less than six months later, on 11th September, terrorist action in New York shocked the world. On 20th September BA announced 7,000 redundancies; the same day, David Spurlock (BA Director of Strategy) justified the action stating: 'the current difficult market conditions demand we take firm action.'\textsuperscript{53} BA was not the only airline to suffer losses. During September, American Airlines announced 20,000 job losses, US Airways announced 11,000, Air Canada and American Air Trans announced a 20 per cent reduction in their schedules, and in Europe, KLM, Iberia, Lufthansa, Sabena, Swissair, Aer Lingus, SAS and Air France began to waver.\textsuperscript{54}

The airlines blamed their losses on plummeting customer demand and increased costs to cover insurance and safety, but were these simply excuses for more deep-rooted problems? 'The truth is that Europe’s airline industry has suffered from over capacity for years.'\textsuperscript{55} Additionally, as the flag-carrier airlines that had excelled on national branding faltered, the new low-cost airlines (Easyjet and Ryanair) were snapping at their heels: 'British Airways is due to withdraw ... if BA cannot make the route work, it should hand over the slots' — Ray Webster, Chief Executive, Easyjet.\textsuperscript{56}

A report into the impact of 11th September on the airline sector reported that:

'Two segments of the market have been particularly hit: transatlantic flights and business travel. And that is BA’s core problem. In its attempts to claw back into profit, the company focused on exactly these two groups of passengers.'\textsuperscript{57}

Undeniably, recent months have seen a fall in demand for BA and other flag carriers, but the loss of two months’ revenues cannot be blamed for the demise of a company that has lasted for years. In terms of brand perception, BA may have had a lucky escape, but it will take a serious strategic overhaul to realign itself with its once-impregnable brand position.

The fiascos that have faced BA over the past decade have overshadowed some of the more successful aspects of its corporate brand. It has instigated the development of the One World Alliance that appears to hold potential for enhancing customer service in the future, it has established an innovative online booking and reservation platform, a promising loyalty programme, and was one of the first airlines offering air miles. It has successfully offered a standardised brand internationally, and
although the wrong choices were made, its corporate brand was linked closely to its corporate strategy. It will, however, be its errors that consumers will take time to forgive as BA struggles to remain in the FTSE 100. In applying Porter's formula for successful branding, the following may be shown:

\[ BA = \text{incorrectly targeted product} \times \text{confused identity} \times \text{high quality.} \]

**CONCLUSIONS**

Companies operate internationally for a number of reasons which are based on either growth or survival. These corporate brands are important to the success of their international strategies. These brands will only be important, however, if they are able to successfully translate the corporate core value proposition into foreign markets. The successful corporate brand will enable users and potential users to readily identify the benefits that they would receive in choosing that brand.

This paper has outlined the basic rules that should be followed to establish a successful brand:

— Brands should be linked to corporate strategy.
— A brand is a shorthand summary of its company.
— Brands should be consistently positioned across markets.
— Brands should be constantly manifested throughout the marketing mix.
— Brands should deliver value which should be expressed in consumer terms.
— A brand portrays a continuous relationship between the company and its buyers and users.

— A good brand should provide a platform for innovation and differentiation.
— A company should understand its market's macroenvironment, competitive forces, cultural dynamics and national identity.

Ind states that:

‘In creating and managing global brands the real challenge is people: how to achieve consistency around core principles, while allowing degrees of adaptation to meet the needs of stakeholder segments either nationally or internationally.’

Many companies have enhanced their brand proposition by trading on their Britishness; however, just as many have failed. The primary causes for such failings are a lack of understanding of the local markets, a failure to adapt to local needs, and a lack of alignment to corporate strategies. Boots failed to understand the Thai market; Reliant failed to see that its Robin motor vehicles were not in demand; and the Laura Ashley brand failed to align itself with its corporate strategy in foreign markets. It was only when Laura Ashley repositioned its brand with the corporate strategy that it began to turn around, posting profits in 2001 for the first time since 1990.

The recent decline of Marks & Spencer — a brand that failed on two accounts — has been notable. It failed to retain the product quality its brand had become synonymous with, and forgot that its core proposition was based on the provision of conservative British household goods and clothing, not products that were embraced by the more discerning Continental European. Had Marks & Spencer simply stuck to its tried and tested core
values, its brand would perhaps have avoided the embarrassments it has faced.

Although the BBC has managed to avoid such errors, as international markets become more closely aligned, trading on Britishness alone may not be a suitable differentiator. The BBC must remain abreast of what its customers expect from it. The UK supermarket Tesco has achieved this. In the early 1990s its brand was near collapse, viewed as a down-market low-cost option. In the mid-1990s, however, it repositioned itself consistently in all markets based on quality and value—a strategy that has brought the company considerable success in competitive foreign markets.

This paper has been written using only publicly available information on the companies quoted, thus it has not permitted more detailed analysis into the cultural dynamics facing corporate brands. Future research into this field would include:

— more detailed cultural analysis, specifically into the international perceptions of the companies that trade under the flagship that is Britain plc
— investigation of the various options open to market entry for corporate brands.

‘Only those who will risk going too far can possibly find out how far they can go.’
T. S. Eliot

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