


Global Marketing Management
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Lecture -22
Marketing Product and Services – Part I


Welcome to this course on, "Global Marketing Management" and now, we will talk about, managing marketing of products and services that are spread over 2 module, that is module 22, and module 23 and let us start with module 22 and in this module, we will talk about the Global branding strategies, How to manage Global product lines, these are the two important things that we will be talking about in this module 22.



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Module Overview

1. Introduction
2. Global Branding Strategies
3. Managing Multinational Product Lines
4. Conclusion






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Introduction

- Companies that brand their products have various options when they sell their goods in multiple countries.
- More and more companies see global (or at least regional) branding as a must.
- Multinational product line management entails issues such as:
 - What product assortment should the company launch when it first enters a new market?
 - How should the firm expand its multinational product line over time?
 - What product lines should be added or dropped?



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So companies at that brand their products, now they, keep in mind that they, the company may not like to brand their product, but when companies they brand their product they have various options, when they sell their goods in multiple countries and more and more companies see global or it at least regional branding as a must. So, the companies that brand their product that sees is global branding as regional branding as important and as a must.

Multinational product line management that includes what product assortment should the company launch, when it first enters a new market. So you see that there are multinational companies they have huge number of large number of products, so then they have to decide that in each country, what kind with what product we have to they have to enter and how should they expand their product lines over a period of time and what product lines should be added or dropped from the from the overall product line.

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Introduction

- Global marketers also face the issue of global piracy.
- In global marketing, firms have to use a multitude of strategies to handle the negative country-of-origin stereotypes.
- Example:
 - The detergent division of the German company Henkel has long been committed to a strategy of strong local brands.
 - In Europe Henkel varies its laundry detergent strategy to address regional variations in laundry practices.



Global market as they also face the issue of global piracy. In global marketing, firms have to use multitude of strategies to handle the negative country of origin stereotypes. For example, the detergent division of the German company Henkel has long been committed to the strategy of strong local brands. In Europe Henkel, varies its laundry detergent strategy to address regional variation in the laundry practices. So you see that the Henkel, they are focusing more on a strong local brands and therefore they, customize their product according to laundry practices in each country.

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Introduction

- Southern Europeans traditionally washed their clothes with lower temperatures than their northern counterparts. They prefer less powerful detergents, often used in combination with bleach.
- Northern Europeans favor powerful detergents and mostly dislike bleach in their laundry.
- Packaging preferences also differ. People in Northern Europe like compact products, while Southern consumers favor large boxes.



Southern Europeans they traditionally wash their clothes, with lower temperatures than their northern counterparts. They preferred less powerful detergent often used in combination with bleach. Northern European favor powerful detergents and most disliked beach in their laundry.

So you see that within the Europe European Union, the Southern European, they have different kind of laundry practices and the Northern European they have a different kind of laundry practice.

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Introduction

- To cope with all these variations, Henkel customizes its brand portfolio, positioning, and the product formulations.
- Henkel's flagship brand is Persil. However, Henkel did not own the Persil brand name in France; it offered a similar product under the brand name Le Chat ("The Cat").
- The positioning was also tweaked in different countries. For instance, Persil's whiteness positioning in Germany was replicated for Le Chat in France.

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Their packaging preferences also differ. People in Northern Europe like compact products like while Southern consumers they favor large boxes. To cope with all these variations, Henkel customizes its brand portfolio, positioning and also the product formulation. Henkle flagship brand is Persil. However, Henkel do not own the Persil brand in France; it offered a similar product under the brand name Le chat that means, The Cat. Positioning was also tweaked in different countries, for instant, instance Persil's whiteness positioning in Germany was replicated for Le chat in France.



So the brands were different while the positioning in two different countries remain the same. In Netherlands, Persil was positioned as an eco-friendly product. In Italy and Spain, Henkel had not introduced Persil for historical reasons.

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Introduction

- In the Netherlands, Persil was positioned as an eco-friendly product. In Italy and Spain, Henkel had not introduced Persil for historical reasons.
- In Italy, consumers had a strong preference for blue detergents with a stain-fighting capability.
- This did not fit Persil's core value proposition ("whiteness with care"). Instead, Henkel entered Italy with Dixan a performance brand. Henkel also entered Spain, another performance-oriented market, by acquiring Wipp, a strong local brand.





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In Italy consumer have a strong preference for blue detergents with a stain fighting capability and this did not fit with Persil's core value proposition that is, whiteness with care, instead Henkel entered Italy with Dixan, a performance brand. Henkel also entered Spain another performance oriented Market by acquiring Wipp a strong local brand now you see that Henkel has for the same kind of detergent, it has different brands then it also have different brands with different kind of features and then it also have local brands.

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Global Branding Strategies

- For many firms the brands they own are their most valuable assets.
- A brand can be defined as "a name, term, sign, symbol, or combination of them which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors."
- Linked to a brand name is a collection of assets and liabilities—the **brand equity** tied to the brand name.





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So many firms the brand they own are their most valuable assets and a brand can be defined as the name, term, sign, symbol or a combination of them which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors.

Linked to a brand name is the collection of Assets and liabilities which are which is which is called as a brand equity tied to the brand name. So brand equity will include assets as well as liabilities.

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Global Branding Strategies

- These include brand-name awareness, perceived quality, and any other associations invoked by the brand name in the customer's mind.
- The concerns that are to be addressed when building up and managing brand equity in a multinational setting include:
 - How do we strike the balance between a global brand that shuns cultural barriers and one that allows for local requirements?
 - What aspects of the brand policy can be adapted to global use? Which ones should remain flexible?

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These include brand name awareness, perceived quality and any other associations invoked by the brand name in the customer's mind, in the customers mind. So whatever comes to the customer mind is the, goes into brand equity. So it can be positive for the brand or it can be negative for the brand. The concerns that are to be addressed when building up and managing brand equity in a multinational set, setting are, how do we strike the balance between global brands that shuns cultural barriers and one that allow for local requirements?

So we have a global brand and how to strike a balance between standardization and localization. What aspect of brand policy can be adopted to global use and which one should be flexible what assets for the brand policy should remain the same and what should be adopted.

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Global Branding Strategies

- Which brands are destined to become “global” mega-brands? Which ones should be kept as “local” brands?
- How do you condense a multitude of local brands into a smaller, more manageable number of global (or regional) brands?
- How do you execute the changeover from a local to a global brand?
- How do you build up a portfolio of global mega-brands?





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Which brand, are destined to become global mega brands which one are to be kept as local brands? How do you condense a multitude of local brands into a smaller, more manageable number of global or regional brands? For example, CocoCola acquired ThumbsUp in India and for any number of years, for so many years their capital as the brand as local, and thereafter now they have decided to make it a region and thereby a global brand. How do you execute the change over from local to a global brand and how do you build a Portfolio of global mega brands? So each company will have lots of, lots of brand, some of them are to be made into global brands, some of them will remain regional brand, and some of them will remain local brands.

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Global Branding Strategies

- A key strategic issue that appears on international marketers' agenda is whether or not there should be a **global brand**.
 - What conditions favor launching a product with a single brand name worldwide?
 - The same logo? And perhaps even the same slogan?
 - When is it more appropriate to keep brand names local?
 Between these two extremes are several other options.





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A key strategic issue that appears on international marketers of agenda is whether or not there should be a global brand. What conditions favor launching a product with a single brand name worldwide, should we have the same logo or perhaps even the same design when it is more appropriate to keep brand names local and between these two extremes there a lot of and lots of other options available.

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Global Branding Strategies

- For instance, some companies use local brand names but at the same time put a corporate banner brand name on their products (e.g., “Findus by Nestle”).
- A truly global brand is one that has a consistent identity with consumers across the world. This means the same product formulation, the same core benefits and value proposition, the same positioning. Very few brands meet these strict criteria.

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For instance, some companies use local brand names but at the same time put a corporate banner brand name on their portfolio, portfolio like Findus by Nestle. So this is local while Nestle is a corporate brand. A truly Global brand is one that has a consistent identity with consumers across the world, this means the same product formulation the same core benefits and values and value proposition, the same positioning and very few brands need this criteria.

So now you see it is not only about having consistent identity with the consumer across the world and how to go about building the consistent identity with consumers across the world? That will comes with the same product formulation, the same core benefits and value proposition and the same positioning and that is very difficult task to a task to achieve.

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Global Branding Strategies

- Even a global marketing juggernaut like Procter & Gamble has only a few brands in its portfolio that can be described as truly global (e.g., Pringles, Pantene, Duracell, Gillette).
- Legal constraints often force the company to market a particular product under two or even more brand names.
- Lynx/Axe, Unilever's line of male grooming products, is a case in point. The Axe brand was launched in the early 1980s in France by Faberge, a company bought by Unilever in 1989.





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Even a global marketing juggernaut like Procter and Gamble has only a few brands in its portfolio that can be described as truly global; for example, they have just these 4 brands that are global, Pringles, Pantene, Duracell and Gillette. Very often legal constraints also force the company to market a particular brand, product under 2 or even more brand names. Lynx or Axe Unilever's line of male grooming products is a case in point. The Axe brand was launched in early 1918 in France by Faberge, a company brought by Unilever in 1989.

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Global Branding Strategies

- In most countries the product is sold under the Axe brand name.
- However, in several countries such as the United Kingdom and Australia it is named Lynx as the Axe trademark belonged to another firm in these countries.
- For a similar reason, the Burger King fast food giant was forced to rename itself in Australia "Hungry Jack's" as the BK trademark was already registered by a take-away food shop in Adelaide.





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In most countries the product is sold under the Axe brand name, however, several countries such as United Kingdom's and Australia it is named Lynx as the Axe trade but belong to another firm in those countries. For the similar reason, Burger King, the fast food giant, was forced to rename

itself in Australia, as Hungry Jacks, as the Burger King trademark was already registered by a take away food shop in Adelaide.

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Global Branding Strategies

- **Global Brands: Advantages**
 - Economies of Scale: The development costs for products launched under the global brand name can be spread over large volumes.
 - Brand Awareness: A global brand has much more visibility than a local brand.
 - Prestige Factor: The fact of being global adds to the image of a brand.
 - In some cases global brands are also able to leverage the country association for the product. (McDonald's is U.S. fast food)



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What are the advantages of having a global brand? The first is obviously that we have talked about earlier also is the Economies of Scale. The development cost of, for products launched under the Global brand name can be spread over large volumes. Then it also helps in brand awareness a global brand has much more visibility than a local brand. Then another advantage is that of prestige factor, the fact of being global adds to the image of the brand. In some cases, global brands are also able to leverage the country association for the product. For example, McDonald is a US fast food.

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Global Branding Strategies

- The value of a global brand (brand equity) usually varies a great deal from country to country.
- Three key value dimensions that answer how consumers value global brands:
 1. **Quality signal:** Global brands are high in quality.
 2. **Global myth:** Global brands are seen as cultural ideals. Global brands gives its customer a sense of belonging.
 3. **Social responsibility:** Global brands should act as good citizens





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Now the value of a global brand that is also called as brand equity usually varies a great deal from one country to another. So when one country is a brand equity may be different from the brand equity for the same brand in another country, why it so happens? So the 3 key value dimensions that answer how consumers values global brands, are the first is Quality Signal: The global brands are high in quality. Global myth: Global brands are seen as cultural ideals. Global brand gives the consumer a sense of belonging. Social responsibility: Global brands should act as good corporate citizens.

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Global Branding Strategies

- Inter-country gaps in brand equity may be due to any following factors:
 - i. History: Brands that have been around for a long time tend to have much more familiarity among consumers than latecomers.
 - ii. Competitive climate: In some countries the brand faces only a few competitors. In others, the brand constantly has to break through the clutter and combat scores of competing brands that nibble away at its market share.





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Now the inter-country gaps in the brand equity that we have talked about in the last slide, how, why does brand equity of the same brand differ from one country to another and that is for the

following factors: the first is the history, brands that have been around for a long time tend to have much more familiarity among consumers than the latecomers. The second factor is the competitive climate:

In some countries, the brand faces only a few competitors while in other countries, other country the brand constantly has to break through the clutter and combat and combat scores of competing brands that nibble away at its market share. So when in those countries where the competition is less, therefore the awareness for that brand is high as compared to a country where competition is high.

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Global Branding Strategies

- iii. Marketing support: Especially in decentralized organizations, the communication strategy used to back up the brand can vary a great deal.
Some country affiliates favor push strategies. Other might prefer a pull strategy.
- iv. Cultural receptivity to brands: Brand receptivity is largely driven by risk aversion. Within Europe, countries such as Spain and Italy are much more receptive toward brand names than Germany or France.
- v. Product category penetration: The higher the product usage, the more solid will be the brand equity.

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The third reason is marketing support, especially in a decentralized organisation the communication strategy used to backup the brand can vary a great deal. Some country affiliates favor push strategies. Other might prefer pull strategy. The fourth reason is cultural receptivity to brands, brand receptivity is largely driven by risk aversion. Within Europe countries like Spain and Italy are much more receptive toward brand names than France or Germany. The fifth is product category penetration, the higher the product usage the more solid will be the brand equity.

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Global Branding Strategies

- **Local Branding**
 - Examples: Coca Cola owns numerous local and regional brands across the globe such as Thums Up in India
 - In some cases, a local brand becomes necessary because the name or a very similar name is already used within the country in another (or even the same) product category.
 - Use of a global brand name may also be limited because someone already owns the right for the trademark in the foreign market





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Then what are; what is local branding? Example is Coca Cola owns numerous local and regional brands across the globe such as Thums Up in India. In some cases, a local brand becomes necessary because the name or a very similar name is already used within the country in another in another or even the same product category. So the because the name is already been used by some other company, so they need to adapt or change the brand in that country. Use of a global brand name may also be limited because someone already owns the right for the Trademark in the foreign market. So therefore you cannot have a global brand across the world.

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Global Branding Strategies

- Cultural barriers also often justify local branding.
- A local linkage can also prove helpful in countries where patriotism and buy-local attitudes matter.
- When choosing between the local and foreign product, consumers may also prefer the local alternative because of animosity toward the foreign country.
- If the local brand name stems from an acquisition, keeping the local brand can be preferable to changing it into a global brand name.





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Culture barriers, they also justify local branding. A local linkage can also prove helpful in countries where patriotism and by local attitude matters. So with local brands you can overcome these, these kind of attitude. While choosing between a local and a foreign product, consumers also prefer the local alternative because of animosity towards the foreign country. If the local brand name stems from an acquisition, keeping the local brand can be preferable to changing it to a global brand name, because this preference may be the primary reason for acquiring, acquiring that brand, because it is much more acceptable locally because it have much higher brand equity locally.

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Global Branding Strategies

- MNCs may aspire to cover the entire market by having brands positioned at all price points.
Often the local brands are positioned at the bottom or medium end while the global brands cover the upper end of the market.

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Many MNCs aspire to cover all the price point by various brands. So often the local brands are positioned at the bottom of the medium of the market while the global brands they are positioned at the top end of the market, because they want to keep the global brand as premium. So they are positioned accordingly. Now, whether to have Global or local brands, but there are no simple answers to this Global versus local brand dilemma.

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Global Branding Strategies

- **Global or Local Brands?**
 - There are no simple answers to the global-versus-local brand dilemma.
 - The **brand structure** or **brand portfolio** of a global marketer is the firm's current set of brands across countries, businesses, and product-markets.
 - There are basically four main types of branding approaches:
 - ✓ Solo branding
 - ✓ Hallmark branding
 - ✓ Family branding
 - ✓ Extension branding



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The brand structure or brand portfolio of a global marketer is the firm's current set of brand across countries, businesses, and product markets. So we are we, the debate is not about whether to have a global or a regional brand but the answer lies in the brand structure or brand portfolio which will consist of some global and some regional and some local brand. And there are basically four types of branding approaches, Solo branding, Hallmark branding, Family branding and Extension branding.

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Global Branding Strategies

- **Solo branding:** Each brand stands on its own, with a product or brand manager running it (e.g., Unilever, P&G).
- **Hallmark branding:** The firm tags one brand, usually the corporate one, to all products and services, and does not use any sub-brands (e.g., most banks).
- **Family (umbrella) branding:** This is hierarchy of brands that uses the corporate brand as an authority symbol and then has a number of sub-brands under the corporate badge (e.g., Sony PlayStation)
- **Extension branding:** The idea is to start with one product and then stretch the brand to other categories, as far as possible (e.g., luxury industry)



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What is Solo branding, each brand stands on its own, with the product or brand manager running it, for example Unilever and PNG they use this kind of branding strategy. So they may have they are having a number of products but they do not carry Unilever or PNG in their brand names.

Hallmark branding, the firm tags one brand usually the corporate one, to all products and services, and does not use any sub brands, for example, most banks. So they are using just one, So, there is a Standard Chartered and interviews Standard Chartered across the world.

Then there are Family or Umbrella branding, this is hierarchy of brands that uses the corporate brand as an authority symbol and then has the number of sub brands under the corporate badge, for example, Sony PlayStation and Sony Vivo. Then the next is Extension branding, the idea is to start with one product and then stretch the brand to other categories as far as possible. So that happens in luxury industries. So so you will find a fashion designer and then he extends himself into clothing into shoes and in mobile phones and and also in, in perfumes and so on.

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The slide is titled "Global or Local Brands?". It contains a bulleted list of factors that shape a firm's global brand structure. The slide has a blue header and footer. The footer includes the IIT ROORKEE logo, the NPTEL ONLINE CERTIFICATION COURSE logo, and the page number 27.

- A firm's global brand structure is shaped by three types of factors:
 - Firm-based drivers
 - Product-market drivers
 - Market dynamics

Often global brand structure is shared by three types of factors, there are and the three types of factors are, Firm based drivers, the market product market drivers, and the market dynamics.

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Global or Local Brands?

- Firm-based drivers
 1. The firm's administrative heritage: Centralized firms are more likely to have global brands.
 2. Company's expansion strategy: Does the firm mainly expand via acquisitions or via organic (that is, internal) growth?
 3. Product Diversity: it is another important factor. (e.g., Unilever's product range is far more diverse than Nokia's)



Let us look at what are the Firm based drivers, so keep in mind that we are talking of the brand architecture. How this, this, these brand structure or architecture develops over a period of time and that depends upon these 3 factors and we will talk about each of these factors. The Firm based drivers include the firm's administrative heritage. Centralized firms are more likely to have global brands. The company's expansion strategy, does the firm mainly expand via acquisition or via organic? That is internal growth if they acquire, if they expand via acquisition.

Then they will have lots of brand and if they grow organically or organically then they have limited number of brands. Product diversity is another important factor, for example, Unilever product range is far more diverse than Nokia's. So obviously Unilever will have more number of vast as compared to Nokia.

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Global or Local Brands?

- Product-market drivers
 1. Nature and Scope of Target Market: How homogeneous are the segments? Are the segments global, regional or localized?
 2. Degree of Cultural Embeddedness: Products with strong local preferences (e.g., many foods and beverages) are more likely to succeed as local brands.
 3. Competitive Market Structure: Are the key players local, regional, or global competitors?



The Product Market drivers include nature and scope of the target market, how homogenous are the segments, are the segments global, regional or local in nature. The Degree of Cultural Embeddedness, Products with strong local preferences, for example, many food and beverages are more likely to succeed as, as local brands. Competitive market structure, are the key players local, regional or global competitors?

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Global or Local Brands?

- Market dynamics
 1. Level of Economic Integration: Economic integration typically leads to harmonization of regulations. It also often entails fewer barriers to trade and business transactions within the region.
 2. Market Infrastructure in terms of media and distribution channels (e.g., retailing)
 3. Consumer Mobility: With increased mobility, global brands stand to benefit from enhanced visibility.



Market dynamics include level of economic integration, economic integration typically leads to harmonization of regulations and standards. It often entails fewer barriers to trade and business transaction within the region. Market infrastructure in terms of media and distribution channels, for example, the type of retailing that is there. Consumer mobility, with increased mobility

global brands stands to benefit from enhanced visibility because people move from one part of the other and they will see the same brand across different parts of the world.

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Sample of Philip Morris International Brands

Global brands: <ul style="list-style-type: none"> ◦ Marlboro ◦ L&M ◦ Philip Morris ◦ Chesterfield ◦ Parliament ◦ Virginia Slims 	Local brands: <ul style="list-style-type: none"> • Indonesia <ul style="list-style-type: none"> ◦ A Hijou ◦ A Mild ◦ Dji Sam Soe • Russia <ul style="list-style-type: none"> ◦ Appollo-Soyuz ◦ Optima • Italy <ul style="list-style-type: none"> ◦ Diana • Pakistan <ul style="list-style-type: none"> ◦ Morven Gold 	<ul style="list-style-type: none"> • Colombia <ul style="list-style-type: none"> ◦ Boston • Serbia <ul style="list-style-type: none"> ◦ Best ◦ Classic • Mexico <ul style="list-style-type: none"> ◦ Delicados • Greece <ul style="list-style-type: none"> ◦ Assos • Czech Republic, Slov <ul style="list-style-type: none"> ◦ Petra
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Source: www.philipmorrisinternational.com, accessed February 9, 2009.

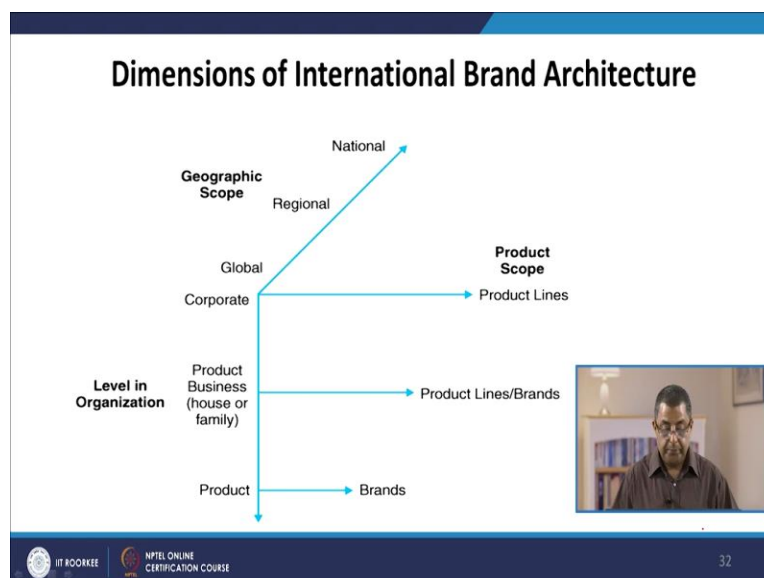




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This is the sample of Philip Morris International brands, so there are some global brands, and local brands. Global brands include, Marlboro, L&M, Philip Morris, Chesterfield, Parliament and Virginia Slims, while there are several local brand in Indonesia they have three local brand, in Russia there are 2, in again in Serbia they have 2 and in other countries they have one.

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These are these are the three dimensions of the international brand architecture. This axis shows, product scope and the scope is product lines, product lines and brand, and the brands, then there

are, whether level in organization where it is at the corporate level or business level or the product level. And then this shows, geographical scope, it can be national, regional and global. So now you can have different different brands at different at different located at different points on this on these dimensions.

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Global Branding Strategies

- **Brand Name Changeover Strategies**
 - i. Fade-in/fade-out: The new global brand name is somehow tied with the existing local brand name. After a transition period, the old name is dropped.
 - ii. Co-branding: Combines the “old” local brand and the global or regional brand in some manner.
One tactic that is sometimes employed is to have the global brand as an umbrella or endorser brand.



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How to change brand name? The first strategy is Fade in and fade out. The new global brand name is somehow tied with the existing local brand name. After the transition period, the old name is dropped. Co-branding, combine the old local brand with the global of regional brand in some manners. One tactic that sometimes employed is to have the global brand as an umbrella or endorser brand.

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Global Branding Strategies

- **Brand Name Changeover Strategies**
 - iii. Transparent forewarning: Alerts the customer about the brand name change. It is typically done via the communication program, in-store displays, and product packaging.
 - iv. Summary axing: The company simply drops the old brand name almost overnight and immediately replaces it with the global name.






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The third is transparent forewarning, alerts the customers about the brand name change. It is typically done via the communication program, in store displays and product packaging. The last the fourth strategy is summary axing. The company simply drops the old brand name almost overnight and immediately replaces it with global name.

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Management of Multinational Product Lines

- Width of product line refers to the number of different product lines of the firm
- Length of product line is the number of different products within a single line
- Firms with a narrow product assortment usually extend the domestic lines
- Large companies select a subset for international dispersal





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Now how to go about managing multinational product lines, width of product line refer to the number of different product lines of the firm. So now you see that the product line has a width and a length, which refers to number of different product lines in the firm while length of a product line is the number of different products within the single line. Firms with the narrow

product assortment usually extend the domestic lines and large companies select a subset for international dispersal.

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Management of Multinational Product Lines

- Adaptations of products introduced in foreign markets are driven by:
 - 1) Consumer preferences (e.g., McDonald's – See Exhibit)
 - 2) Price spectrum
 - 3) Competitive climate (e.g., Coca-Cola – See Exhibit)
 - 4) Organizational structure
 - 5) History






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Adaptations of products introduced in foreign markets are driven by, one is consumer preferences obviously, for example, McDonald price spectrum, competitive climate, organizational structure and history. So this is how the adaptation of products is done when they are being introduced in the foreign markets.

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How McDonald's Customizes Its Menu

Country	Sandwich	Description
France	Croque McDo	A grilled ham and cheese sandwich on toast
India	Maharaja Mac	Two grilled chicken patties with smoke-flavored mayonnaise, onions, tomatoes and cheddar cheese
Taiwan	Rice Burger	Shredded beef between two rice patties
Japan	Teriyaki Burger	A chicken cutlet patty marinated in teriyaki sauce
Middle East	McArabia Sandwich	A marinated grilled chicken sandwich in flatbread
New Zealand	Kiwi Burger	A hamburger with a fried egg and a slice of pickled beet
Poland	McKielbasa	Kielbasa (Polish sausage) patty topped with ketchup, mustard, and onion.
Pakistan	Spicy McChicken	A chicken sandwich with chutney
Thailand	Samurai Pork Burger	A pork burger flavored with teriyaki sauce
South Korea	Bulgogi Burger	Pork patty marinated in soy-based sauce
Netherlands	McKroket	A deep fried roll containing beef ragout and potato
Greece	Greek Mac	A pita bread sandwich with two beef patties and some yoghurt
Israel	McShawarma	Shawarma served in flatbread





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Let us look at how McDonald customizes its menu. In France it has a sandwich that is a grilled Ham and Cheese sandwich on toast. In India, it has Maharaja Mac, 2 grilled chicken patties with

smoke flavored mayonnaise, onion, tomatoes and cheddar cheese. In different, you see that and then in Greece, it has a Greece Mac, in Pakistan it has a spicy Mcchicken, chicken sandwich with chutney. In Greece it has a greece snack with pita bread sandwich with two beef patties and some yoghurt.

In Israel it has Shawarma, McShawarma, shawarma served in flat bread. So you see that McDonald is a global brand but it has customises, customised its menu across the world. So the name remains the same McDonald, while the sandwich, the name of the sandwiches are different across different world different countries of the world and also what is contained in the sandwich is different across the world. So the product is different by while the brand remains the same.

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Coca-Cola Local Brands in Japan		
Brand	Launch Year	Product Description
Ambasa	1981	Noncarbonated, lactic soft drink with familiar smooth taste for everyday use.
Calo	1997	"Functional" soft drink with cocoa taste; helps build healthy bones.
Georgia	1975	Authentic, real coffee drink with variety of flavors sourced from around the world.
Ko Cha Ka Den	1992	Line of blended teas.
Lactia	1996	Lactic, noncarbonated soft drink; offers healthy digestion and quick refreshment.
Perfect Water	1997	Mineral-balanced water; helps restore balance to daily life.
Real Gold	1981	Carbonated, herb-mix flavored drink; provides quick energy.
Saryusaisai	1993	Nonsugar Oolong tea drink.
Seiryusabo	1994	Green and barley tea drinks.
Shpla	1996	Citrus-flavored soft drink; helps overcome mental stress and dullness.
Vegitabeta	1991	Peach-flavored soft drink; helps maintain healthy balance.



Now let us look at Coca Cola local brand names in Japan. In 1981, it launched Ambasa that is non carbonated, lactic soft drink with familiar smooth taste for everyday use. Then in 1997, it launched Calo that is a functional soft drink with cocoa taste, helps build healthy bones. Then in 1975 it has Georgia that is authentic real coffee drink with variety of flavors sourced from across the world. Then they have a perfect water that was launched in 1997 it is a mineral balanced water, helps restore balance to daily life.

Then it has a Shpla that was launched in 1996, it is a citrus flavored soft drink, it helps overcome mental stress and dullness. So while Cola brand is a global brand ad but it has so many local brands in one country.

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Management of Multinational Product Lines

- Global marketers need to decide for each market of interest which product lines should be offered and which ones are to be dropped.
- When markets are entered for the first time, market research can be very helpful for designing the initial product assortment.
- Market research is less useful for radically new products or newly emerging markets.
- In such situations, the company should consider using a “probing-and-learning” approach.




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So global marketers need to decide for each market of interest which product line should be offered and which one should be dropped in that particular market. When market, marketers are when markets are entered for the first time, market research can be very helpful for designing the initial product assortment. So what kind of products do we need to take to that particular market? Market research is less useful for radically new product or newly emerging markets. In such situations company should consider using a "probing and learning" approach.

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Management of Multinational Product Lines

- By and large, add/drop decisions should be driven by profit considerations.
- In the global marketing arena, it is crucial not just to look at profit ramifications within an individual country.
- Ideally, the profitability analysis should be done on a regional or even global basis.
- A good start is to analyze each individual country's product portfolio on a sales turnover basis.
- Product lines can be categorized as (1) core products, (2) niche items, (3) seasonal products, or (4) filler products.



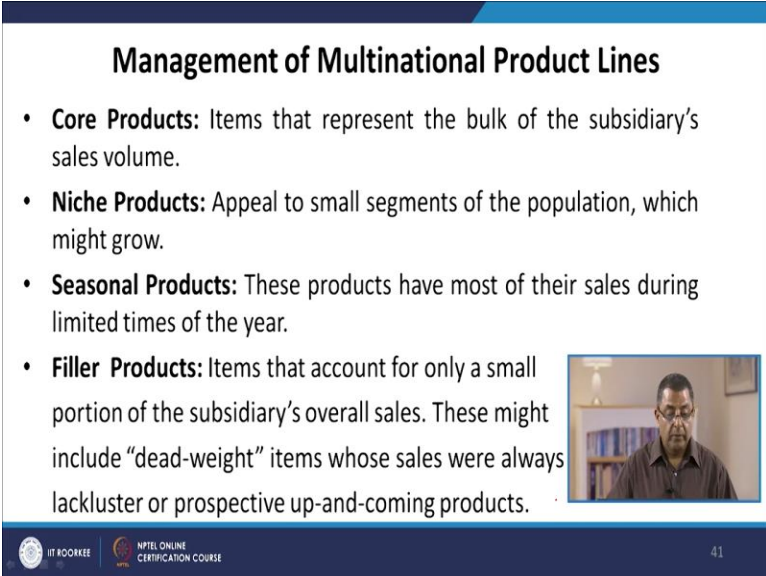
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By and large, add or drop decisions, could be driven by profit considerations which are the brands and which are the products which are most profitable, can be used to first enter a

particular market. In the global market arena, it is crucial not just look at profit ramifications within the individual country, but the company should look at other factors also not only the profit, for that purpose. Ideally, the profitability analysis should be done on a regional or even global basis and not on the individual country basis.

A good start is to analyze each individual country's product portfolio on a sales turnover basis. Then product lines can be categorized as core products, niche items, seasonal products or filler products.

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Management of Multinational Product Lines

- **Core Products:** Items that represent the bulk of the subsidiary's sales volume.
- **Niche Products:** Appeal to small segments of the population, which might grow.
- **Seasonal Products:** These products have most of their sales during limited times of the year.
- **Filler Products:** Items that account for only a small portion of the subsidiary's overall sales. These might include "dead-weight" items whose sales were always lackluster or prospective up-and-coming products.

The slide includes a small video inset showing a man speaking. At the bottom, there are logos for 'BIT ROORKEE' and 'NPTEL ONLINE CERTIFICATION COURSE', and the number '41'.

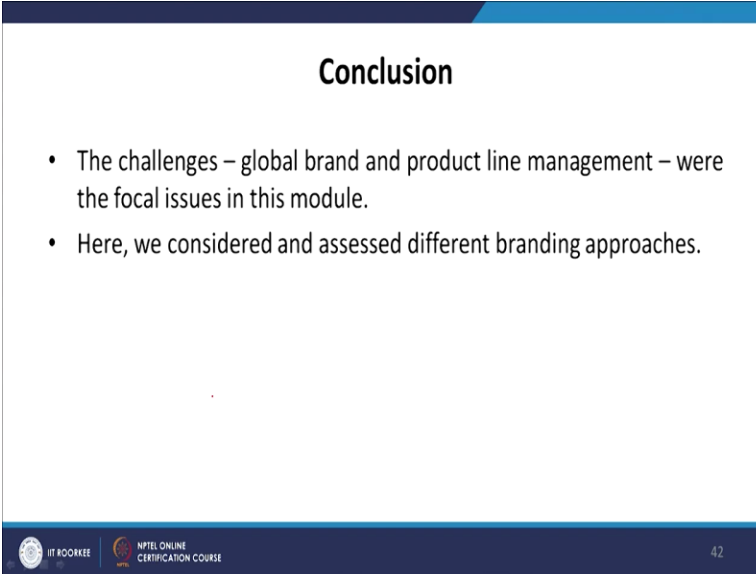
What are the core products, now these are the 4 types of products lines that we that we are talking about, core products, niche items, seasonal products and filler products. Now let us look at, what each one of them means. Core products are items that represent the bulk of the subsidiary sales volume. So from these products they are responsible for for all kind of sales. Niche products appeal to small segment of the population, which might grow. Now here we have appealing to small segments but these segments are expected to grow over a period of time.

Then there are certain seasonal products, these products have most of their sales during limited times of the year, and then there are filler products, items that account for only a small portion of the subsidiary's overall sales. So now you see that core products are responsible for major portion of the sales while filler products they account for only a small portion of the subsidiary's

sales. These might include "dead-weight" items, whose sales are always lackluster or prospective up and coming product.

So either they reveal dead weight or they may be upcoming products, so these are called as filler product then there are seasonal products there which are not sold up all through the year. Then there are niche which are fall in segments, but these segments will grow over a period of time, and then there are certain core products, from which the major profitability of the subsidiary comes.

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The slide is titled "Conclusion" in bold black text. It contains two bullet points: "• The challenges – global brand and product line management – were the focal issues in this module." and "• Here, we considered and assessed different branding approaches." The slide has a blue header and footer. The footer contains the IIT ROORKEE logo, the text "IIT ROORKEE", "NPTEL ONLINE CERTIFICATION COURSE", and the number "42".

Conclusion

- The challenges – global brand and product line management – were the focal issues in this module.
- Here, we considered and assessed different branding approaches.

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Now you see that, in this module we have we have talked about the challenges, the global brand and product line management were the focal issues of this module. So what is a global, global brand and how, what is the brand architecture and what is the brand structure, what are the various dimensions of brand architecture and how to go about managing the product line, that was the focal issue of this module, and we also completely assessed different branding approaches that can be used by, by multinational companies at different points in time.

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References

1. Kotabe, M. & Helsen, K. (2012) *Global Marketing Management*, Wiley India(P.) Ltd., Fifth Edition.
2. Keegan, W.J. (2004) *Global Marketing Management*, Pearson Education, Inc., Seventh Edition.
3. Terpstra, V. & Sarathy, R. (2000) *International Marketing*, Thomson Learning, Inc., Eighth Edition.



And these are the books that were used for this module and I would recommend that to understand further on managing products and services this book will be very helpful thank you.