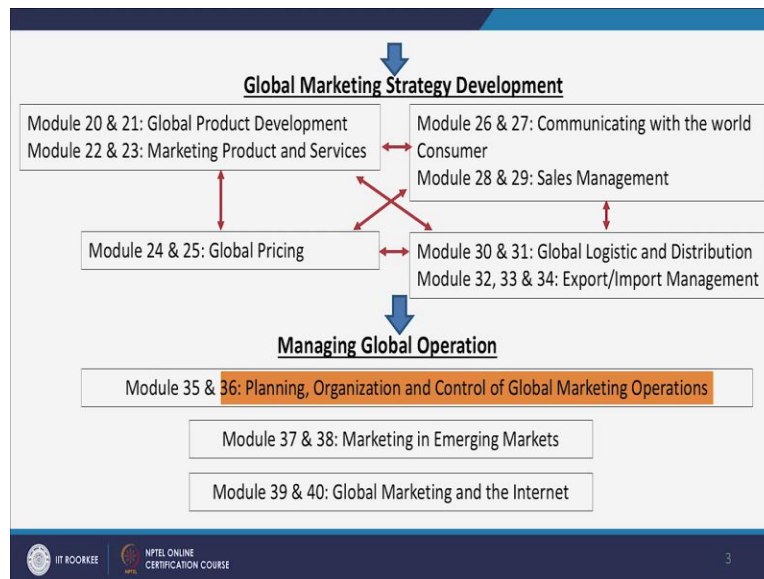


Global Marketing Management
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Lecture – 36
Planning, Organization and control of
Global Marketing Operations – Part II

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Welcome to this course, Global Marketing Management and we were talking about planning organization and control of global marketing operations and we have dedicated, we have two modules for this, that is module 35 and module 36.

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Module Overview

1. Introduction
2. Organizing for Global Brand Management
3. Life Cycle of Organizational Structures
4. Control of Global Marketing Efforts
5. Conclusion



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So we have we have talked about some of these components in module 35 and now I will continue with module 36 and will we will be talking about how to go about organizing for global brand management, the life cycle of organizational structure, now the idea here is that, all are organized, organizational structure will have a life. So we will be talking about the life cycle of that organizational structure, and then how to go out come to controlling the Global marketing efforts.

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Introduction

- Running a multinational organization is a tremendous challenge. More and more companies try to build up and nurture global brands.
- However, the dynamics of the global marketing arena means that building a global organization is much more than just choosing the “right” organizational configuration and control systems.
- As with many other challenges in global marketing, there are no one-size-fits-all solutions.
- MNCs must also decide where the decision making locus belongs. The challenge is to come up with a structure that bridges the gap between two forces: being responsive to local conditions and integrating global marketing efforts.



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Now you see that running a multinational organization as we have seen is the tremendous challenge, why because, now, this operation is supposed to be working across the world in different countries where all the external environment the factors of external environment are

different. So, more and more companies they tried to build up, and they want to nurture global brands. Because this is one thing that can insulate a multinational company from various factors in the external environment but the dynamics of the global marketing arena means that, building a global organization, is much more than just choosing the right organizational configuration and control system.

So as with many other challenges in global marketing, there are no one size fits all. So in domestic markets this may be the mantra but, in global markets this is not. And MNCs must also decide, where the decision making locus belongs to. Where will the decision making happen. The challenges is to come up with the structure that is able to bridge the gap between the two forces that is being responsible to the local conditions and integrating global marketing efforts.

So this is always a challenge, now you see that, there is a company that operates across the world, in each country, it has a different external environment. In that environment, they have to have to nurture and build global brands and also they have to decide where, where the decision making should happen and decision making be so that and organizational structure be so that it is locally responsive and glow and globally integrated, at the same time.

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1. Organizing for Global Brand Management

Global branding has become a popular phenomenon for more and more companies. However to nurture global brands companies often find it useful to put organizational mechanisms in place. This is specially so for decentralized companies where local decisions involve global branding strategies.

Several options exist to seek global branding strategies which include:

- *Global branding committee.*
- *Brand champion.*
- *Global brand manager.*
- *Informal, ad-hoc branding meetings.*



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Now let us see how to go about organizing for global brand management. So Global branding has become a popular phenomena for more and more companies, because, this is, one thing that

can insulate them from a variety of challenges, but to nurture a global brand companies often find it useful to put an organization mechanism in place. So first you have to have an organization mechanism in place and then the company will be able to build a global brand. If a company is too much local responsive, then it will be very difficult for it, it to develop a global brand.

So this is specially for decentralized companies where local decisions involved global branding strategy. So when a company is locally responsive, more locally responsive, then it becomes difficult for it to come up with Global branding. Because this Global branding requires much more attention, much more resources and it should not be local is and it should be less of local locally responsive and more globally integrated.

And for this, several options exist. The first, so what are the various options that can be used for developing global brand? The first is a global branding committee. The second is having a brand champion. The third is having a global brand manager, and the fourth one is Informal, Ad-Hoc branding meetings. Now let us see each one of them. What does this Global branding committee means?

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Organizing for Global Brand Management

- **Global branding committee.**
These committees are made up of top-line executives from headquarters, regional, and/or local offices. Companies having such committees are *HP* and *Visa International*.
- **Brand champion.**
A brand champion is a top-line executive who takes charge of brand management (sometimes a CEO). *Nestle* is one such practitioner of brand champion.



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So these committees are made up of top line executives, from the headquarters region and or local offices. So now these branding committees will have the people from at all the levels. So,

from the global headquarters from the regional headquarters, and from the local offices so companies having such committees are, HP and Visa International. So they, HP and Visa International, they go for this kind of branding that they have a global branding committee which will include people from, from the headquarters and the region and local and then they talk about branding.

The second option is having a Brand champion. A brand champion is top line executive, who takes charge of a brand, brand management. Sometimes the CEO himself takes charge of those brands that they want to make or keep Global. Nestle is one such practitioner of brand champion.

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Organizing for Global Brand Management

- **Global brand manager.**
Global brand managers take the responsibility of integrating branding efforts across countries and combat local biases.
- **Informal, ad-hoc branding meetings.**
This structure works in the absence of a formal structure to guide branding decisions. A good example is *Abbott International*.



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The third is having a Global brand manager. So the Global brand manager take the responsibility, of integrated branding across, across countries. So they are global brand managers, so they will try to have a brand that is more globally integrated and less of locally responsive. And then we can also have, informal Ad Hoc branding meetings, this structure works in the absence of formal structure, to guide a global branding decision. A good example is Abbott international.

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Organizing for Global Brand Management

- For global brand managers to be effective:
 - The top of the organization is committed to branding.
 - There is a solid strategic planning process in place.
 - Managers see the need to travel to learn about local management and best practices.
 - There is a system to identify, mentor, and train prospects who can fill the role.



Now what it needs to become a effective global manager? The first is the top of the organization is committed to branding. So everyone at the top is committed to branding. The second is there is a solid strategic planning process in place. Managers see the need to travel to learn about local management and best practices. So it is not that the top level executives they are sitting at the headquarters and then they will go about doing branding, global branding. So there is also need to travel to local subsidiaries and look at the local management practices and therefore the best practices that are that are there in various countries.

There is a system to identify, mentor, and train prospects who can fill the role. So this, this country, this happens continuously in this , strategic planning process, so they will they keep on identifying mentoring and training, those managers who can fill the role of being a global brand manager.

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2. Life Cycle of Organization Structures

Organization's structures are not set in stone. Change occurs and is not always welcomed by the local staff. Companies need to adapt their organizations due to the following reasons:

- *existing structures too rigid or complex*
- *environmental changes*
- *managers learn new skills*
- *new senior management brought in.*
- Regardless of the reasons, successful restructuring takes time, planning and resources.
- Fundamental cultural change often needed.



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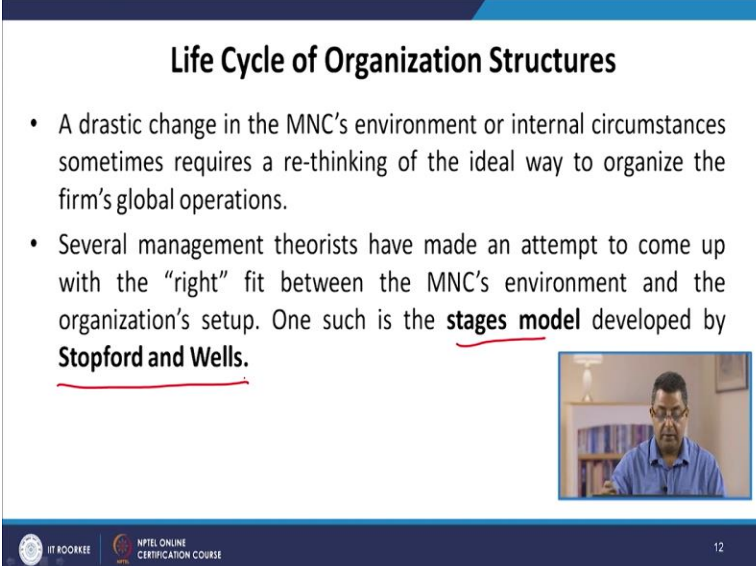
Now after having, after having thought about, Global branding now, they should also be structure, organizational structure that is so, that it, it helps in building global brands. So therefore now you will we will be talking about Life cycle of Organizational structure. Organizational structures are not, they are not set in stone. It means that it is not that they cannot be changed. Change occurs and is not always welcome by the local staff, so whenever there is there is always a resistance to change. So wherever a company wants to change the structure, obviously many a times local staff, they are not ready for it.

So companies need to adapt organization due to the following reasons. The first is the existing structure is too rigid or complex, because when changing and having an organizational structure, which is responsive to change, it becomes difficult. The second is environmental changes, because the environment, the external environment has changed.

So therefore there is a need to have a different kind of organizational structures. The managers must be, must learn new skills. So with changing times, all the managers have to keep them updated not only in knowledge but also in skills. And then, there the next reason is new, senior managers are brought in. So, if your manager are not able to, or if the companies not able to nurture the talent, the management the managers from within, then they, they need to bring in, new managers, senior managers, from outside.


So, regardless of these four reasons, successful restructuring takes time, planning and resources. So it is not that you can change organizational structure in one month, or in one week's time, it takes time, it takes resources, and it is also it it also takes planning by and at the end of the day it is also painful. And fundamental cultural change often needed. So with the change in organizational structure, there is also a need to have organized the change in organizational culture.


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Life Cycle of Organization Structures

- A drastic change in the MNC's environment or internal circumstances sometimes requires a re-thinking of the ideal way to organize the firm's global operations.
- Several management theorists have made an attempt to come up with the "right" fit between the MNC's environment and the organization's setup. One such is the stages model developed by Stopford and Wells.



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A drastic change in MNC's environment or international, internal circumstances sometimes requires a rethinking of the ideal way to organize the global, firm's global operations. Because of this changing, changing environment for their, many a times there is a need to rethink whether whether we have the right kind of organizational structure, to respond to these changes. And several management theorists have made an attempt to come up with the Right Fit.

The Right Fit between the MNC's environment and the organizational set up. So now which kind of organizational setup is, will be appropriate in what kind of situation. So MNCs environment keeps on changing. Now with this, this changing environment what kind of organizational setup is appropriate? So for this there is a model, so one such is the, stage model stage model that is developed by Stopford and Wells.

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Life Cycle of Organization Structures

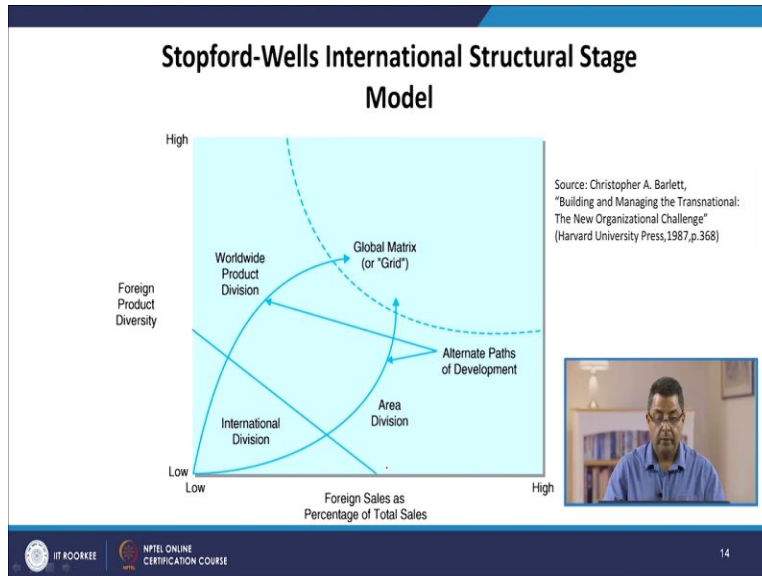
According to the **Stopford-Wells' Stages Model**, there is relationship between organizational structure, foreign product diversity, and the importance of foreign sales to the company.



Now let us see what this model is about. According to the Stopford and Wells stages model there is a relationship between organizational structure, foreign product diversity and the importance of foreign sales to the company. So now, this says that these three are linked. So organizational structure is linked with how diverse your foreign products are, and the importance of foreign sales to the company.

So if the importance of foreign sales is more, then we need a different kind of organizational structure and if it is less, then it requires, it calls for a different type of organizational structure. Similarly when the diversity of foreign product is higher, then obviously you need a different type of structure, and vice versa.

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Now these are the international structure stage model given by Stopford and wells. So, on the x-axis we have foreign sales as percentage of total sales. This is importance of foreign sales on the company on the x. y axis we have foreign product diversity. So, that is the factor we have talked about. Now both these axis's, they vary with, they go from low to high and low to high now let us assume that the percentage of foreign sales to the total sales is high for a company and at the same time it also has foreign product diversity.

So now this company will be somewhere here when it is somewhere in between here and the foreign diversity is also here, then you should have a global metric for grid and similarly there are international divisions when the foreign product diversity is lower and the foreign, the percentage of sales to total sales is low, then you need to have a international division and as these things increases different types of organizational structures are required. So, then you have, when the importance of this foreign sales is less but the foreign product diversity is high, then we need to have a worldwide product division.

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Life Cycle of Organization Structures

1. According to the model, when companies first explore the global marketplace they start off with international division.
2. As foreign sales expand without an increase in the firm's foreign product assortment diversity, the company will more likely switch to geographic area structure.
3. If instead the diversity of the firm's foreign product line substantially increases, it might organize itself along global product lines.
4. Finally, when both product diversity and international sales grow significantly, MNCs tend to adopt a two dimensional matrix structure.



According to this model, when companies first explore the global marketplace they start off with an international division. So this is what we are talking about when both of them are low so they start with international division as foreign sales expands without an increase in the firm's foreign product assortment. Foreign sale is expanding but assortment is not. The company will more likely switch to geographic area structure, that is the area division, this one.

If instead the diversity of firm's foreign product line is substantial, if it is more, it might organize itself along the global product lines, worldwide product division. And finally when both product diversity and international sales they grow significantly, the multinational companies tend to adapt a two dimensional matrix structures. So we in, in module 35, we have talked about various types of organizational structure, now here, now, we are talking about which organizational structure is we should be used in what kind of situation.

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3.Control of Global Marketing Efforts

To make global marketing strategies work, companies need to establish a control system. The main purpose of controls is to ensure that the behaviors of the various parties within the organization are in line with the company's strategic goals.

There are two forms of control systems:

1. **Formal (Bureaucratic) Control Systems**
2. **Informal Control Methods**




The next thing that we will talk about in this module is how to go about controlling the Global marketing efforts. To make global marketing strategies work, companies need to establish a control system. So now the various when the company has made the strategies and implemented the strategies, then they need to control, so the planning, organizing, implementing, and controlling. The main purpose of control is to ensure that the behaviour of various parties with organization are in line with the corporate strategy goals.



So with this control, we will keep on aligning the behaviour of various parties in the organization with the strategic goals and then if it so happens, we will be able to control our global marketing efforts. Controlling global marketing efforts or controlling any kind of marketing activities means that the difference between the actual and the planned is controlled, is is smaller is lesser.

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Control of Global Marketing Efforts

1. **Formal (“bureaucratic”) control systems.**
Consists of three building blocks as follows:
 - a. **Establishing standards (metrics).**
 - These standards should be driven by the company’s corporate goals.
 - Types include behavior and outcome-based.
 - Ideally, standards are developed via a “bottom-up” and “top-down” planning process of listening, reflecting, dialoguing, and debating between headquarters and the local units.



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So having said that, there are two forms of control systems, one is the formal or bureaucratic control system and another is informal control system, now let us see what happens in these two and let us start with a with understanding what happens in the formal or the bureaucratic control system. Now it consists of three building blocks, the first block is to establish standard that is the metrics.

These standards should be driven by the company's corporate goals, what are the goals and how to go about maintaining it, so that is what is formal control system is. These types include behavior and their, behavior and outcome based. So there are two types of metrics, the behavior related to behavior and related to outcome. Ideally standards are develop via bottoms up and top down planning process of listening, reflecting, dialoguing and debating between the headquarters and the local units.

So after the after the; headquarter and the local unit they have decided on the goals, so it can be bottoms up, it can be top down. it can be somewhere in between, then the standards are developed to measure the whole and this is standards can be in terms of behaviour and outcome so it is more intrinsic and it is more extrinsic. So here behavior may be difficult to measure outcomes are easy to measure, so these are easy and these are difficult.

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Control of Global Marketing Efforts

b. *Evaluating performance.*

- The actual performance is compared against the established standards.
- Though it is necessary to reward managers for their contribution, the contribution is hard to gauge.

c. *Analyzing and correcting deviations.*

- Analyze the causes behind deviations and correct.
- Reward systems are necessary for managers. However, due process is also important.



This, after having established the standards, the second is to go about evaluating the performance. The actual performance is compared, is compared against the established standard, though it is necessary to reward managers for their contribution, the contribution is hard to gauge. So everywhere it is said that the compensation and reward system should be there, but then how to go about measuring this contribution and the third step is to analyze and correcting the deviation.

After we have set the standard, measured whether we have whether we have achieved the standards or not, now comes the time to correct the deviation. So here what you have to do is to analyze, analyze the causes behind the deviation, and then correct those causes.

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Control of Global Marketing Efforts

Due process has five features:

- The head office should be familiar with the subsidiaries' local situation.
- There should be a two-way communication in global strategy-making decision processes.
- The head office is relatively consistent in making decisions across local units.
- The local units can legitimately challenge headquarters' strategic views and decisions.
- The subsidiary units get explanations for final strategic decisions.



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The second is to reward systems are necessary for managers however the due process is also important and this due process have five features. The first is that the head office should be familiar with the subsidiaries and local situation. So this, this cannot be done in isolation by the headquarters but they should also take the local subsidiary into consideration. There should be two way communications between global, in the global strategy making decision process.

So this strategy making decision process cannot be and cannot be at the top only so there has to be two way communication, communication coming and communication going from the headquarters to the reason to the regional, regional, headquarters and to the subsidiary. The third is the; headquarter the head office is relatively consistent in making decisions across the local units.

So they, they now the problem is that the headquarter should listen to the local subsidiaries before taking the decision but there's also need to be to have a relatively consistent decision making across subsidiaries. The local units can legitimately challenge headquarter strategic views and decisions. So local units can say that the; headquarter are not taking due care, of their situations, and the subsidiary, subsidiary units gets explanation for final static, strategic decisions.

So in order to avoid this it is important that after the decision making is made it should be communicated, why this kind of decision is taken to the local subsidiary.


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Control of Global Marketing Efforts

Special Measurement Techniques

In addition to regular reporting, specialized techniques exist for evaluating marketing performance:

- 1. Distribution Cost Analysis:** Used for analysing the profitability of different parts of the marketing program like product lines, distribution channels, customers or territories.
- 2. Marketing Audit:** A methodical examination of the total marketing effort, often by some outside expert in every few years. Audit is specially useful when the firm is changing its involvement in a country.



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Now there are some special measurement techniques. In addition to the real, regular reporting, specialized technique exist for evaluating the marketing performance and the first of this is, distribution cost analysis. This is used for analyzing the profitability of different parts of a marketing program like product lines, distribution channels, customers and territories. So now this, now we will have to look at, the various, the cost involved in at various places.

And then, the next is, Marketing Audit that is a methodological examination of the total marketing efforts often by some outside expert in every few years. So audit is especially useful when the firm is changing its involvement in a country. So when if, when the country when the company is changing the mode of entry or and the type of involvement that that it has in a particular country, therefore then this marketing audit is important.

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Control of Global Marketing Efforts



2. Informal control methods.

a. Corporate culture. It can be:

- **Clan-based** culture that embody a long socialization process, strong and powerful norms, and a defined set of internalized controls and
- **Market-based** culture where norms are loose or absent, socialization processes are limited, and control systems are purely based on performance measures.

For most global organizations where **integration** is an overriding concern, a **clan-like culture** is instrumental in creating a shared vision.





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Then there are informal control methods. The first of that is Corporate Culture. This corporate culture can be clan based or market based. So this clan based culture that, that embodies embody a long socialization process, strong and powerful norms, and a defined set of internalize controls and in the market based culture where norms are loose or absent, socialization processes are limited, and control systems are purely based on performance.



So this is more this is more performance oriented. For most global organizations, where integration is an overriding concern, a clan like culture is instrumental in creating a shared vision.

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Control of Global Marketing Efforts

- Corporate values are more than slogans that embellish the company's annual report. It should have three properties:
 1. **Clarity:** The stated values should be simple, relevant, and concrete.
 2. **Continuity:** Values should be stable over time, long-term oriented, not flavour-of-the month type values.
 3. **Consistency:** To avoid confusion, everyone within the organization should share the same vision. Everybody should speak the same language. Everyone should pursue the same agenda.





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Now corporate values are more than the slogans that embellish the company's annual report. It should have the three properties, so, these corporate values it is not only for writing in the annual reports, but it should also have the following three well, the three properties. The first is the Clarity. The stated value should be simple, relevant and concrete. The second is Continuity. Values should be stable overtime, long term oriented, and not flavor of the month type values.

So it is not that, this, this month we will have this value when this month we will have these values, there should be continuous and continuity and long term to the values. The third is Consistency, to avoid confusion everyone within the organisation should share the same vision, everybody should speak the same language, and everyone should pursue the same agenda. So when there is clarity, continuity and consistency, then we can say that the the corporate values can be easily imbibed in the employees.

The second is the Human resource development. Another major informal control tool is the company's program for management development. These programs will have three critical rules first is training programs can help managers worldwide in understanding the MNC's mission and vision, as their part in pursuing them. So in order to develop human resources, the first is that the training program should we should be given.

The manager should be trained worldwide so that they are able to understand the mission and vision. The second is, such programs can speed up the transfer in new values, when changes in the company environment dictate a new corporate mentality.

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Control of Global Marketing Efforts

- **Finally**, they can also prove fruitful in allowing managers from all over the world to share their best practices and success stories.
- A joint research project conducted by the Stanford Business School and McKinsey aimed to uncover what sort of tools multinationals rely on to resolve the **global vs. local tensions**.
- The researchers identified **seven management tools** or “**levers**” that companies use to resolve the global/local trade-offs.






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And finally they can also prove fruitful in allowing managers from all over the world to share their best practices and success stories. So the first is we have to develop human, human resources as a informal control tool and for that, first you need to give training to all those people or all your employees on the mission and vision. The second is that, these program should speed up the transfer of new values because whenever they the need to have a different organization, the environment is changing there is a need to have a different organizational structure.

So therefore there is a need to have a different kind of culture. Therefore these programs should be such that, they are able to dictate or the new corporate mentality. And then finally, the manager should be allowed to share their best practices and success stories. A joint research project conducted by the Stanford Business School and McKinsey, aimed to uncover what sort of tools multinationals rely on to resolve the global vs. local tensions.


So they have identified seven management tools or levers, that company is used to resolve a global local trade-offs. So, in global organizations, the biggest tension which continuous always is the global and local trade off.

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Control of Global Marketing Efforts

"Soft" versus "hard" levers.

- 1) **Organizational structure:** Creating formal positions and lines of authority.
- 2) **Process:** Defining workflows and procedures.
- 3) **Incentives:** Reward systems that encourage outcomes in line with the desired balance between Global and local priorities.
- 4) **Metrics:** Measurement systems that focus on desired outcomes.




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So, let us look at these 7 Tools. So there are certain soft versus hard levers. First is Organizational structure creating formal positions and lines of authority? The second is the Process, defining workflow and procedures. The third is Incentives that is reward system that encourages outcome in line with the desired balance between the global and local priorities and the Metrics, measurement system that focus on the desired outcome.

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Control of Global Marketing Efforts

- 5) **Strategy:** The extent to which the central strategy guides local decisions.
- 6) **Networks:** Building personal relationships that help resolve disputes and encourage sharing of knowledge and resources.
- 7) **Culture:** Shared values that encourage common approach among all members of the organization.



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Strategy the extent to which the central strategy guides local decisions; the sixth is the Networks, building personal relationship that help resolve disputes and encourage sharing of knowledge and resources and the last one is culture that is shared values that encourage common approach

among all the members of the organization. So now in order to understand, in order to resolve, this global and local debate, these are the seven things that multinationals use.

So one is the organizational structure then changing the processes, having the right kind of incentive system in place and then the matrix that should be used for the for that purpose, having a strategy because what happens is that, when you are changing the organizational structure, it calls for changing the strategy also several times, there should be networks, that is network of personal relationships.

And then more important is that when you have changed organizational structure, there is a need to change organization culture, to be followed by organizational strategy. So the seventh step, 7th lever is culture. So there is a need to develop the culture, where shared values are encouraged among the members of the organization.

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Control of Global Marketing Efforts

- Three of the tools –Process, Incentives and Metrics are **Hard Levers**.
- The other tools- Strategy, Networks and Culture are **Soft Levers**.
- Structure is a **hybrid**.
- The companies are scored on the basis of these levers and depending on the scores are classified as “**Hard**” or “**Soft**” firms
- **3M**, the conglomerate with its unique innovation culture leans very heavily toward **soft** levers.
- **Toyota**, on the other hand , with its heavy focus on quality control is a prototypical “**hard**” company.

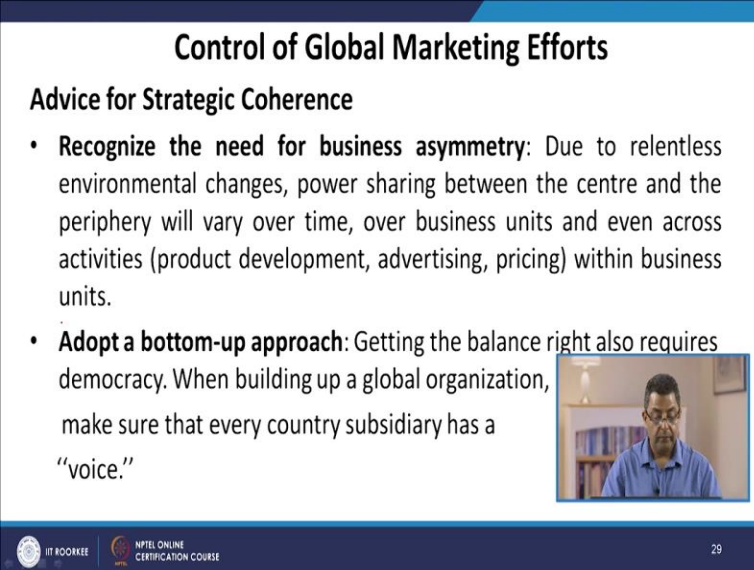


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Now how to go about controlled, controlling the Global marketing efforts? Three are the tools that is, we will continue with the same discussions, and how we will talk about the soft and hard levers. Three of these tools, the processes, incentives and metrics the processes incentives and metrics, they are the hard lever while other tools that is strategy, network and culture are soft levers. This structure is a hybrid between hard and soft lever.

The companies are scored on the basis of these levers and depending on the scores are classified as hard or soft firms. 3M, the conglomerate with its unique, unique innovation culture, leans very heavily towards soft levers. Now you see that this soft levers are more important for a 3MB because, it want, want to nurture a unique innovation culture. Toyota, on the other hand, with its heavy focus on quality control is a prototypical hard company.

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Control of Global Marketing Efforts

Advice for Strategic Coherence

- **Recognize the need for business asymmetry:** Due to relentless environmental changes, power sharing between the centre and the periphery will vary over time, over business units and even across activities (product development, advertising, pricing) within business units.
- **Adopt a bottom-up approach:** Getting the balance right also requires democracy. When building up a global organization, make sure that every country subsidiary has a "voice."

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Let us see what is the advice for Strategic coherence, the first is to recognize the need for business asymmetry, because of the relentless changes in the environment, power sharing between the center and the periphery, will vary over time. So sometimes the power may reside with the center and sometimes the power may reside with the periphery. So over it can vary over time, over business units, and even across the activities that is, product development, advertising and pricing, within those business units.

The another advice for having a strategic coherence is adopt a bottom, bottom up approach. Getting the balance right also requires democracy, so because we are talking of a balance so there has to be a democracy. When building up a global organization, make sure that every country subsidiary, has a voice, or every not only every countries subsidiary has a voice, but they should be a mechanism to hear what these subsidiaries are saying.

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Control of Global Marketing Efforts

- **Importance of a shared vision:** Having a clear and consistent corporate vision is a major ingredient in getting people excited about the organization.
- **Invest heavily in horizontal communication channels and information flows:** Very often MNCs focus primarily on vertical communication channels going from the country unit to corporate (or regional) headquarters but neglect horizontal information flows among the different country affiliates.



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The third advise is the importance of a shared vision. Having a clear and consistent corporate vision is a major ingredient in getting people excited about the organization. So this we have talked about earlier clear and consistent corporate vision, clarity, continuity and consistency. So this is what we are talking about. Clear consistent corporate vision then there should be those three qualities in the values also and the same three qualities should also be there in vision also.

The next is to advise is to invest heavily in horizontal communication channels and information flow, so we are not talking of vertical, we are talking of horizontal communication channels. So very often MNCs focus primarily on vertical communication channels going from the country unit to corporate or regional headquarters, but neglect horizontal information flows among the different country affiliates.

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Control of Global Marketing Efforts

- **Ensure that somebody has a global overview of each product line or brand:** Global oversight of a product line or brand is needed to facilitate transfer of learning and knowledge among markets and to leverage new product and marketing mix programs.
- **Need for a good mix of specialists of three types—country, functional, business:** Companies should breed specialists of three different kinds: country, functional and global business (SBU).



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So, the communication should not only from headquarter to subsidiary or from subsidiary the headquarter but it should also be across subsidiaries. Another advice is to ensure that somebody have a global overview of each product line or brand, so everybody should not be having a different kind of different kind of perspective on product lines and brands, there should be one one person who has a global perspective or a global overview to global oversight of a product line or brand is needed to facilitate transfer of learning and knowledge among marketers, markets and to leverage new products marketing mix programs.


Another advice is need for a good mix of specialists of three types, the country specialist functional specialist and business specialist. So companies should breed specialists of three different types at the country specialist then there should be functional specialist and the global business or SBU specialist.

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Control of Global Marketing Efforts

- **Moving unit headquarters abroad seldom solves the organization's problems:** In recent years, several companies (e.g., IBM, HP, and Siemens) have moved business unit headquarters abroad.
- Unfortunately, in many cases the relocation typically turns out to be mere window-dressing in a drive to become more global-oriented.
- Sometimes transfers can even be counterproductive weakening the corporate identity.






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Moving unit headquarters abroad seldom solves the organizational problem. In recent years several companies like IBM, HP and Siemens have moved business unit headquarters abroad. Unfortunately many cases, the relocation typically turns out to be mere window dressing in a drive they become more globally oriented. Sometimes transfers can even be counterproductive productive weakening the corporate identity.

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Conclusion

- In this module we have discussed various options for nurturing global brands.
- We also discussed issues related to control mechanisms that companies can utilize to achieve their strategic goals.
- Finally, we identified certain points that can lead to strategic coherence and avoid the ill will among subsidiary managers.





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In order to conclude, we have discussed, various option for nurturing a global brand, and then we have also discussed issues related to control mechanism that companies have that can be utilized to achieve their strategic goals. And then we have identified certain points that can lead to strategic coherence and avoid the ill will among subsidiary managers. So we have seen how to

go about nurturing global brands, you should have a global organizational structure and so on so forth. And then we have also talked about how to have a strategy coherence across the decision making process.

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And these are the three books that have been used to develop this module. Thank you.