Foundations for building share of heart in global brands

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Abstract
Purpose – This paper seeks to explore the relationship between global brands and the emotional connections between consumers and the brand.
Design/methodology/approach – The paper integrates concepts including a range of recently published (1995-2006) theoretical works in the branding, global branding, and share of heart literature.
Findings – The paper provides information and action approaches to marketers to aid them in managing the emotional ties of global brands to specific market segments. The term “global brand” is used extensively in business but its nature and scope are not understood by all. Global brands are few in number and must satisfy several criteria to be considered truly global. This study explores the requirements for global branding as well as the characteristics and advantages of global brands. Brands may be considered in two dimensions based on their acceptance by consumers. One dimension is the brand’s deliverable benefits relevant to its target segment. The other is the type and depth of emotional connection between the consumer and the brand. The article reviews the state of global branding and types of emotional connections. It then postulates a series of actions to build share of heart to aid in taking brands global.
Research limitations/implications – The theoretical concepts that form the foundation of the paper appear to have a significant application to consumer marketing but have not been tested empirically.
Practical implications – The paper explores a global phenomenon that has implications for the nature and scope of market segmentation, product design and promotion.
Originality/value – The paper describes the nature and application of emotional connections to particular brands. While most literature has concentrated on local or national brands, the paper provides a perspective that may help to understand how global brands generate emotional ties to consumers.

Keywords Brand management, International marketing, Consumer marketing, Consumer behaviour

Paper type Conceptual paper

An executive summary for managers and executive readers can be found at the end of this article.

Introduction
Global brands have been around for a long time. It has been almost 25 years since Theodore Levitt wrote about them as the future of multinational firm success (Levitt, 1983). Global brands typically start as domestic products that companies used to expand their sales base under a market development growth strategy. Strategically, it makes sense to take products to foreign markets after exhausting the growth possibilities in same market-same product situations. However, global brands have not reached the promise that Leavitt envisioned. They were supposed to sweep away national differences by offering reduced costs and world-class quality. They have not done so.

Among branding difficulties is lack of a clear understanding of global branding as a strategic decision. The term “global brand” is used so routinely in business, for so many different strategic initiatives, that its meaning has become obscured. The essence of a global company is that it views the world as its market, but there is no single accepted definition of global brand that guides development of their use (Whitelock and Fastoso, 2007). In one view, “a brand that is marketed under the same name in multiple countries with similar and centrally-coordinated marketing strategies” can be considered a global brand. The McDonald’s franchise meets that definition. Each restaurant in each country carries the same name and corporate logo and uses a central marketing strategy. Brands marketed by a single company in multiple countries that do not have the same name can also be considered global brands. While the brand names may not be uniform, they share marketing elements. Marketing programs for different countries may retain identical product composition and similar promotion but use a localized brand name to convey meaning or avoid unfortunate connotations. For example, the familiar North American product Mr Clean also sells under different names in different countries. Among its aliases, it is Maestro Limpio in Latin America, Don Limpio in Spain, Flash in the UK, and Mr Proper in most of Europe. The purpose and use of the product, as emphasized by the character highlighted in the brand name, are the same.
There is also a tendency to confuse the term “brand” with the communication effort behind a brand name. More than a name, a brand is an embodiment of the product – what it does, how well it does it, who it does it with, and how it feels to be having it done. A series of considerations related to brand strategy and usage need to be worked out in new product development, before a product is launched into the marketplace. This expands the repertoire of questions that must be answered when developing a new product. Traditional Stage-Gate™ procedures investigate technical and market related questions, whether the product can be made efficiently and whether there are buyers willing to pay for it (Cooper, 2005). Expanding the brand to a global setting complicates the situation.

This paper examines that situation. It looks at some of the typical practices characterizing global branding, offers perspective for why global brands are still a viable, even essential, business strategy, and suggests lessons for managers desiring to take brands global.

The practice and promise of global brands

About 15 years ago, several broad environmental forces converged, encouraging companies to take the global brands discussion more seriously. These three major developments have transformed the global marketplace:

1. politics;
2. economic reform; and
3. technology.

Previously, the global brand idea was intriguing but about as global as the American baseball World Series. The potential market for some global brands was large but limited by numerous closed markets, with the result that global brands could not include the entire globe. At the time, the Communist bloc represented a population close to two billion people and was off limits to most non-Soviet bloc products. The fall of the communism coupled with a worldwide trend toward deregulation and privatization opened huge markets that grudgingly began to enter the world economy. The world’s largest democracy, India, with a population of 880 million and growing, restricted access to its markets, but started small liberalization steps in the 1970s. Many other economies reduced their protectionism around the same time. Chile, for example, adopted University of Chicago economic principles and became the leading economy in South America. Faced with stagnant or saturated markets at home, many “global” brand managers began to identify potential in markets outside their borders that had been hazy assumptions in past strategies. Technology, the third important force, opened borders digitally, if not physically, first with satellite communication, then with wired and wireless transmissions. Television showed lifestyles, reflecting a quality of life, inspiring demand for something better. Advances have continued to penetrate the populations of developing nations, inspiring not just entrepreneurial activity, but global entrepreneurship, with the result that the world has come to be recognized as flat (Friedman, 2005). Brands were ever-present in these communications, making promises and showing the way to a better future, opening the door to a resurgence of global brands.

When many companies went global, they simply took the key products that were successful in their domestic markets and began selling them in foreign markets. This practice eliminated or greatly reduced costs associated with product development and promotion. Country selection often turned to developing countries, whose markets had high potential. In many cases, the success of these brands appears to be due less to astute marketing than to just being there. The transplanted brands were often the first entries in the product category that reached a new country. Some were successful and quite literally created the product category in the host countries. Often their names were synonymous with the category, as in Ireland where one can hoover (sic) a house. However, while these brands spanned the globe, they were less than truly “global” (Hudak, 1988).

In addition to first mover advantage provided by early dominance of the category, additional benefits attributed to global brands are perceived high quality, greater familiarity, and the impression of being worldly (Özsomer, 2007). A study by AC Nielsen (2001) helps to understand these benefits of global brands. In interpreting what makes a brand global, the study focused on products with sales exceeding $1 billion a year, with some of those sales coming from outside of the marketer’s home region or country (AC Nielsen, 2001). The amount of external sales ranged from 5 percent to 20 percent. In addition, the brand should also have a footprint in all of the mega-markets of the world, which include the Americas, Europe and Asia. The study covers the three megamarkets but includes 30 countries, accounting for 90 percent of global GDP but covering less than a quarter of the world’s population.

These parameters restrict the number of defined global brands and research has tended to support the limited number recognized. Using these metrics, the Nielsen study identified only 43 brands that satisfied the criteria. The common factors that link these brands to the global category are:

- their multi-market reach; and
- their perception as the same brand world-wide.

The study makes it clear that there are many more local and regional than global brands. Brands have to start in a market somewhere, but reach is essential for companies going global. Beyond that, there is wide variation among these brands in terms of coverage.

The study results are predicated by consumers’ access to organized distribution, a vital requirement for reaching the ultimate customer. The findings show the preeminence of convenience consumer packaged goods. Coca-Cola soft drink beverage and Marlboro cigarettes were consistently the top two brands in each of the four regions of the world. True to the definition, the survey included brands on the basis of both reach, number of countries in which they were sold, and retail sales value. All brands included had a sales volume above one billion dollars, and all but six were sold in at least 20 countries. Those with the lowest reach had North America as their largest market, largely due to the size and development of the USA as a market for packaged brands. For the two largest brands, both originating in the USA, Europe was their largest market. Sixteen brands in total claimed Europe as their largest market, 24 claimed North America, and just three claimed equal sales in both regions. These findings demonstrate some of the likely motives of companies.
attempts at global branding. Convenience products are often in mature markets, facing other well-known brands in highly competitive situations, with production capability in place. Companies facing this situation can develop new products for existing markets, or they can look for new markets for existing products. New markets allow leveraging of efficiencies in buying and producing, improvements in scale instead of more risky new product situations. The ability to brand, and to transfer branding benefits to new markets, allows leveraging of communication and promotion efforts also. The outcomes from these efforts are enhanced when entering new markets with an exotic foreign allure, differentiates from competition and provides a reputation for quality.

The AC Nielsen study indicated that categories are global, as well as brands within a category. Many of these brand categories represent products able to transcend different cultures and tastes. In contrast, sectors such as food and drink are more focused on local tastes and demand a “local” presence. Within food and drink, the largest category was beverages, with 13 brands across three subcategories – soft drinks, beer and coffee. One should note the high number of beverages on the list. The reason may be that humans share the same physiology. Soft drinks are inexpensive and seem to be universally acceptable across cultures. Beverages like Coca-Cola quench thirst in places as diverse as Greenland and Saudi Arabia. That global brands exist at all is based on their ability to respond to latent needs common across cultures (Quelch, 2002).

The Nielsen research turned up several categories with multiple global brands, including tobacco (four), pet foods (three) and snack foods (three). The complexity of food, in particular, is noteworthy. Food preferences vary dramatically over the globe because of basic differences in local tastes, customs, and access to fresh, local products. The food category included just four brands, including Kellogg’s cereals, Danone’s yogurts, and Campbell’s soups. The common characteristic these products share is versatility. They can be used during different times of the day. They can be consumed alone or used as ingredients in preparing other dishes or meals. They are less likely to be constrained by custom to narrow applications. The implication is that products with multiple uses are more likely to succeed as global brands, so that local markets can determine the most appropriate use of the product for their situation. The key for the company is to develop products with several uses. The alternative is to be flexible, study and recognize usage patterns that emerge after introduction, tempering the tendency to force certain applications on geographically diverse markets.

Conversely, the AC Nielsen study found other categories where global branding has been successfully applied, where underlying standards are in place. The computer and automobile categories had global brands identified, and these product types share safety and operating considerations. These products appear to be more universal in terms of how they are used and how they are viewed. Computers and other electronic devices, in particular, were also in earlier product life cycle stages when they became available around the world. In this situation, the Nielsen results indicate that early on, consumer preferences are likely to coalesce around central values a product possesses. Differentiation occurs later, as competition finds the need to differentiate, and technological advances are applied. As globalization increases, and the speed with which products spread to worldwide distribution increases, this situation is likely to be more prevalent.

Studying patterns of global brand recognition, such as the information provided by the Nielsen study, provides some important lessons for making differentiation decisions. A foundation for strategy that considers product decision-making and the geographical considerations from international marketing begins to emerge. This understanding provides the basis for expanding on these guidelines and for achieving a higher level of acceptance from customers, an emotional connection termed share of heart (Day, 1989; Pitta, 2007).

Rationale for developing global brands

There are several reasons that global branding makes sense. Operational advantages can be identified:

- globalization can yield economies of scale and scope in areas such as R&D, manufacturing, and marketing (Yip, 1995); and
- increased market potential leads to strategic appeal as growing markets result from meaningful segments of consumers around the world developing similar needs and tastes (Hassan and Katsanis, 1994).

These basic advantages are explored further.

Levitt’s (1983) arguments in favor of globalization were based on production realities. The larger the production run, the lower the unit costs of production – the economy of scale effect. In fact, globalization affects products more than services. Kapferer (2005) calls the source of these economies of scale “upstream” effects, since they take place upstream of the marketing function. An area for globalization that needs further development is the “downstream” stage of branding. The downstream stage is closer to the consumer and the world they live in. Although a global product may be sold throughout the world there are inevitable local variations that address differences in consumer preferences. The global brand Coca-Cola markets numerous local brands in competition with its flagship product. Moreover, the company varies its Coca-Cola formula for national markets. Travelers have noted that Coca-Cola from Argentina is distinctly sweeter than its US counterpart. There are even differences within a country. Coca-Cola bottlers in French Canada provide a sweeter soft drink than those in English-speaking Canada. In addition, the Diet Coke of Ontario is distinct from the sweeter tasting Coke Light of Quebec. Since Francophone consumers do not respond well to the term “diet”, bottlers avoid it. Company managers are responding to local preferences and would probably lose market share if they did not. Thus global brands normally retain significant local variations in order to compete. This eliminates or reduces production efficiencies, but opens the door to downstream economies resulting from effective global branding. Communication is one of the areas where this can occur.

This suggests at least two relevant perceptions about global brands. On one hand, global brands are reputed to have little power to seduce consumers away from local brands, at least with a market that does not see quality and prestige in worldly goods. Global brands produce benefits for relatively undifferentiated global consumers (Greenhalgh, 2002). If global brands have any power, it is when they provide better
value for the customer. The value a consumer derives from a product determines choice. One reason for the recent eclipsing of General Motors by Toyota is that US consumers perceive that they receive greater value from Toyota than the classic “American” brand. Similarly, around the world, value matters more than whether a product is a global, regional, national or local brand. The second perception about global brands is that global brands are perceived to be superior to local brands simply because they are global. Globality creates prestige and value in consumers’ minds. As suggested, that value is because some consumers, primarily the more affluent group, ascribe higher quality to global brands. The two views create a question about which effect is more sustainable. Evidence indicates that quality represents 90 percent of the increased preference for global brands, while the prestige of being global accounts for the rest. Prestige can wane with familiarity and is probably more important with segments like young, urban consumers rather than the mass market (Steenkamp et al., 2003). However, global brands do tend to be of higher quality than others, as companies recognize the importance of maintaining their image.

The second traditional rationale for global branding results from the power of brand names to communicate with target audiences. Communication benefits from global branding include:

- globalization speeds up a brand’s time to market by reducing time-consuming local modifications (Neff, 1999); and
- some consumers seem to prefer brands with “global image” over local competitors.

This is true even when quality and value of the global brand is not “objectively” superior to the local alternative (Kapferer, 1997; Johansson and Ronkainen, 2005). As a result, companies can exploit the image-enhancing effects by merchandizing the global nature of their brands. The process involves positioning brands as “global” in promotional communications, highlighting message elements such as brand name, logo, ad visuals, citations of global presence, and other themes (Alden et al., 1999).

**Global versus local brands**

The strategic marketing component of targeting takes on special importance for global firms. The now familiar saying “Think globally; act locally” is based on solid market segmentation. A simplistic yet useful view suggests that in the global context there are at least two relevant segments – one more affluent and worldly, the other less affluent and more insular. The global-local distinction meets the important market segmentation criterion of responsiveness because the clear difference between the markets is the reason for purchasing preference. In many countries, global brands are attractive to an affluent market segment that is interested in displaying their worldly knowledge. However, the affluent segment is usually very small compared with the rest of society, and their purchasing behavior is unlikely to set the pattern for the non-cosmopolitan crowd. Although the belief that perceived brand worldliness creates consumer perceptions of brand superiority is widely asserted (Kapferer, 1997; Keller, 1998), the segment that prefers regional or local products should not be ignored. The phenomenon of consumer ethnocentrism argues that a well-established bias in favor of home-grown products exists among many consumers (Shimp and Sharma, 1987). In the extreme case, cultural, religious or xenophobic movements threaten “foreign” brands in some countries. If ethnocentric sentiment is strong, a global brand can become the focus of discontent and suffer a backlash that may involve destruction of company assets. In the less extreme case, there is evidence that many consumers prefer brands with strong local connections (Zambuni, 1993). This reduces the operational and communication benefits associated with global branding. For continued global growth, it is important to adapt and develop products to satisfy local wants, as well as affluent desires. Thus, astute global marketers will consider a bifurcated strategy of marketing both global and localized brands in a target country (Quelch, 2002). Coca-Cola uses this strategy extensively.

It is important for global companies to assess how global brands fare in stature against more local brands. Two characteristics have been identified. Global brands convey higher prestige than local brands, a reflection of their reach across nations and the accompanying perception of quality (Johansson and Ronkainen, 2005). Successful local brands must develop a close fit between their benefits and market preferences. Thus, local brands have a close fit; global brands have prestige and perceived quality. Depending on several factors, including communications, both may be familiar to a host audience. These disparities are the result of global marketplace realities, often addressed as the standardization versus adaptation issue. Kapferer (2005) noted that there are seven different globalization strategies ranging from totally non-adapted to a highly adapted customized production strategy. Points in between provide hybrid models that vary in terms of the amount of standardization and customization. The objective remains to satisfy the wants of specific markets, and marketers may choose the correct blend for a given situation.

This reduces the issue of global branding to not so much whether to globalize or to localize, but how much of each is required. Marketers with growth objectives find it difficult to ignore the benefits of economies of scale and the added prestige resulting from being present in multiple markets. But to be global while being the best of local, marketers need to factor in uniqueness and relevance of a local brand as well as the level of “globalness” in the product category. In fact, while most global brands appear to be standardized, there are often many variations below the surface. The automobile industry provides an example. A well-known model, the Ford Focus, is sold throughout the world. While the models look identical, there are numerous differences below the surface which make them quite distinct. Those differences are prompted by different legal requirements, climatic conditions, consumer preferences and other factors (Kapferer, 2005).

**Foundations for moving forward with global branding**

Although the dual advantages of operational efficiency and communication impact are powerful, they may not be enough in a changing world. Competition for brands with worldwide impact is fierce, as every firm global and local must be recognized as competition. And with technological advances allowing powerful communication media to impact far-flung
locations, ability to differentiate from this competition in meaningful ways diminishes. Something more is needed. The global/local distinction illustrates that customers buy products for more than the functions they perform, or because they cost less. The emotional dimension of consumer decisions plays a role in choice. Strategic branding can imbue products with characteristics that customers evaluate with their heart as much as their head.

The identity of a brand is contained in the name it is given. The brand name of a product conveys information which helps to establish brand identity, and if done right, the brand personality of a product. The information conveyed by the name is related to the benefits received from the product, the qualities inherent in the product, or who might be a typical user of the product. Benefits are critical elements, as they are received when products solve buyer problems, and can usually be related to the attributes that have been built into the product. The role for marketing communication is to establish the association between the attribute’s consequence – what it does – and the brand name of the product. The result is brand knowledge (Keller, 1998). The brand name is a node in the consumer’s memory to which the associations are attached.

Several aspects of the brand are important here, when considering taking a product global. The customer’s problem has to be a “real” one they feel the need to resolve, and the brand name has to convey the information that the product can work in the situation faced. Accomplishing these outcomes in multiple foreign markets takes more thought than merely launching the brand and waiting for results. Considering eventual global reach for a product means considering all of the cultural mores eventually being targeted, making sure not to offend anyone in any of them. The result may be a bland amalgamation of basic features that do not stand out to any single group of product users. But if done the right set of attributes is selected, and resulting benefits delivered, the tremendous global impact can result. The key is to touch the heart of multiple segments of customers.

Building emotional connections to increase market share

There are several types of brand connections to a market segment. Function performed by a product, or symbolic identification with a typical user, have been the typical associations sought. As markets have grown more competitive, more firms are looking to form positive emotional bonds that will bind a customer to a brand. Brand love is a new marketing construct that assesses satisfied consumers’ passionate and emotional attachment to particular brands. It has also been termed “share of heart” (Day, 1989). Brand love, in turn, is linked to higher levels of brand loyalty and positive word-of-mouth. Findings also suggest that satisfied consumers tend to engage in more positive word-of-mouth about self-expressive brands (Carroll and Ahuvia, 2006). This effect is illustrated by the affection that consumers feel for Harley-Davidson and its motorcycles. Arguably, Japanese competitors enjoy a global prestige for quality and build products of higher value, due to lower prices, but many consumers still prefer Harley-Davidson motorcycles. Association with an image of rebelliousness, feelings produced by size and design of engine, and a characteristic “rumble” sound, are among the intangible attributes that the company emphasizes to maintain a closeness to its customers. Thus, marketers talk about creating products and ad campaigns that will “win the hearts” of the customer. The assumption is that share of heart will lead to market share.

Recently, marketers have seen the importance of share of heart. Share of heart has been described as being on a continuum midway between share of mind and share of market (Day, 1989). The framework of the cognitive, conative and affective effects of communications (Fishbein and Ajzen, 1975) allows further refinement of each element. Share of mind represents the cognitive effects of promotional communication activities, while share of market represents the results of behavior. In contrast, share of heart represents affective effects that may result from past or current memories or experiences. Share of heart represents a degree of consumer commitment and emotional bonds that underlie a relationship with a product or service. Firms can manage customer relations to build those emotional connections. Doing so results in a competitive benefit. Share of heart appears to last longer than straight-forward knowledge. For example, wine has subtle attributes that do not allow overly logical evaluation. Wine marketers have tried to link brands with positive emotional experiences to build emotional connections (Nowak et al., 2006).

Failure to build share of heart can have damaging consequences. For example, the packaged goods industry knows the negative effects on brand equity that special price-focused promotions like discounts or coupons generate. Sales may rise as deal-prone consumers take advantage of temporary price discounts. However, without a bond to the product, these consumers will inevitably switch brands when another deal emerges. For many companies, deal-prone consumers can comprise a significant portion of a firm’s market share and may be important to the overall profit picture. However, firms have no illusions that without price breaks or other incentives, the deal-prone consumer, will go elsewhere. Moreover, truly loyal consumers who learn of the targeted special promotions may resent them. It is possible that these efforts to build market share might harm the brand equity already built between the company and its brand loyal consumers. Avoiding price promotions altogether and ignoring the deal-prone customer has been a winning strategy for companies like FedEx, Bank of America and First Union Corp.

These companies thrive on the patronage of loyal customers who may be the most important factor in earning profits. To earn loyalty, they look to form an emotional bond with a customer. That requires a demonstration of care and concern from the company and recognition by the company that they value the customer’s business. Even more important, the company should communicate to the customer that he or she, personally, is valued. The ultimate foundation for a relationship is a combination of product quality and fair pricing. However, if they are in place, emotional connections can be effective in differentiating a company and its brands from those of its competitors. Emotional marketing which incorporates persuasive communication targeting selected audiences may have a positive impact on brand equity (Orth et al., 2005).

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Concentrating on building relationships with loyal and profitably served customers is a more rational strategy than serving all comers. Building relationships and share of heart seems to be an effective defense against aggressive promotional efforts by other competitors, global or local.

**Techniques for building share of heart**

Marketing practitioners have experimented with building connections with customers for years. In the mid-1980s Giant Food, a subsidiary of Royal Ahold, instituted a customer connection campaign that required each check-out clerk to look customers in the eye, smile and say, “Hello”. That small interactive contact was reputed to bear great benefits. Giant decided that it was successful in making a contact with the customer. One metric was that the amount of crime, specifically shoplifting, went down in the test stores after the campaign was initiated. From that point forward, the company supported customer contact and interaction at the check-out counter. It modified its recruitment and training systems to attract naturally outgoing people and offered training in the specifics of interacting without overstepping customers’ comfort levels. In some cases, customers chose specific check-out stations to interact with their favorite clerks. This competitive tactic helped the company stay number one in their regional market. The key was employees going one step further, a subtle step that embedded the brand quality of nice people helping nice people. But quality people can be a scarce resource, particularly when expanding to the global stage. Starbucks, the coffee shop, a branding success that desires global expansion, laments that it is diluting its trademark service experience as it expands, as quality help becomes more difficult to find (CBS News: 60 Minutes, 2006).

Making customer contact is the first step in building share of heart. The next step is called emotion marketing. Emotion marketing is more than a slick advertising campaign that is often shown up on travel web blogs, expanding reach virtually, allowing visitors to keep the glass they drank from. Lest they forget, the visitors pay for the experience, another suggestion of value. They also take plenty of photos, which these days is to familiarize the visitor with the brand and its products and experience available to customers around the world is a step further, a subtle step that embedded the brand quality of nice people helping nice people. But quality people can be a scarce resource, particularly when expanding to the global stage. Starbucks, the coffee shop, a branding success that desires global expansion, laments that it is diluting its trademark service experience as it expands, as quality help becomes more difficult to find (CBS News: 60 Minutes, 2006).

Positive customer emotions can have a powerful positive effect on business success. Yu and Dean (2001) found that the affective component of customer satisfaction, the emotional element, was a better predictor of customer loyalty than the cognitive component, which is concerned with objective elements like price and quality. Furthermore, positive emotions were the best predictor of overall loyalty and positive word of mouth.

Building loyalty for a brand is one way to build brand equity, which is important for profitability. A recent case study highlighted a company that used the complete set of tools to build positive emotional connections and gain share of heart. Nassau Valley Vineyards (NVV), a small family-owned winery in the state of Delaware in the USA, uses more than the standard techniques to connect with customers. As a winery, it has the typical facilities tour, which also includes an impressive educational presentation of the history of winemaking in the world and at the vineyard. It has an excellent tasting room where visitors can sample the company’s products and buy those they like. The staff is world class and knowledgeable makes customers feel welcome. However, NVV also has facilities to host wedding receptions, parties and other events for hire. The venue reinforces the NVV brand. In addition, NVV hosts a concert series at which patrons can hear fine jazz and classical music while enjoying gourmet food and selected NVV wines. Significantly, NVV is often used as the site for fund raising events to benefit local hospitals and schools. Overall, the numerous activities serve to reinforce the positive emotional connections with attendees. Later, when faced with choosing wine for an occasion, NVV will benefit from the good experience and positive emotions it created.

However, NVV management has not neglected the value element. If value is the balance of price and quality, NVV strives to increase the quality of its offerings. In the wine industry, quality is judged by third-party experts during wine judging competitions. NVV formulated a detailed strategy for creating quality wines and carefully matching them to wine judging events. The vineyard has been very successful and promotes the number of gold and silver awards its wines have won. Overall the quality awards help build brand awareness. Share of heart building actions create emotional ties on a face-to-face basis. Research has found that positive emotion, positive affect, has a significant effect on customer satisfaction. Satisfaction then leads to purchase intention (Oliver et al., 1997).

**Bridging the global share of heart gap**

One issue in managing share of heart is that it has been done only on a local or regional level. Making the emotion-building experience available to customers around the world is a step to creating a global brand. For example, the popular vineyard tours in wine-making regions across the globe seek to build an emotional bond of good feeling between the vineyard and the visitor. The technique was pioneered in Europe but refined in California, where it became a popular part of the local tourism industry. As a result, wineries have devoted significant attention to making the tour interesting, educational and fun. One groundbreaking application to a global market can be found in Chile. Chile produces some world-class wines, known for their value. Global wine brands like Concha y Toro in Chile offer numerous tours in Spanish, English, Portuguese, French and German to make their foreign visitors more comfortable and welcome. The objective is to familiarize the visitor with the brand and its products and influence the brand choice when the consumer returns home. Personalization comes with a taste, usually of several varieties of the vineyard’s product, and the memory is instilled by allowing visitors to keep the glass they drank from. Lest they forget, the visitors pay for the experience, another suggestion of value. They also take plenty of photos, which these days often show up on travel web blogs, expanding reach virtually, for the world to see. Thus, this share of heart building technique has a global effect.

Another example is American baseball, a sport that does not enjoy a strong global following. Both baseball and its...
cousin softball have been pronounced too "unpopular" for the world stage and were dropped from Olympic competition. Baseball presents a difficult global share of heart challenge because it is a complex game that is difficult to experience vicariously. Moments of action are sporadic and less frequent than the controlled mayhem of American football or basketball. To grow globally, the best medium-term goals might be to start by building share of heart across a few borders. For example, the Boston Red Sox baseball team has a loyal following throughout the six states of the New England region of the USA. In American sports the conventional wisdom states that winning teams will win spectator affection. The Red Sox had such a long history of losing that it was rumored to be cursed. It was celebrated as the baseball team which had not won a “World Series” in 80 years. Despite the yearly heartbeat of trying hard and failing, the team has a highly loyal following. One might speculate about why its supporters are so committed. One reason is that the team has used relationship marketing techniques to build emotional connections to its fan base. The techniques include designating certain days commemorating fans from a certain state. For example, State of Maine Day is devoted to residents of Maine, who often travel a few hundred miles to attend that specific day’s game. The experience is emotional and positive enough to build a connection that resists the promotional activities of competing teams. The question of how a team like the Red Sox might build global share of heart is thought-provoking. While the team earns profits from the sale of Red Sox merchandise, its product is not a packaged good and is of interest in few places around the globe. It represents a very difficult global brand challenge. In order to extend its reach it must first find consumers whose tastes it might satisfy. There are several “baseball”, markets which include the Caribbean area and Japan. Japan enjoys a thriving baseball sector with excellent players and well-run leagues. There are numerous Japanese stars playing in the USA. To extend its share of heart reach to Japan, it might hire a Japanese baseball star and publicize his performance and bonds with his teammates and the city of Boston. It also might schedule exhibition games in Japan, in which the local Japanese hero gets attention. Similar techniques might boost Japanese baseball fans interest in the Red Sox with possible increased sales of team merchandise in Japan. Adding a global connection, one understood by local markets overseas, is an effective way to build share of heart for the brand.

Implications for marketers

Global brand marketers have several areas to consider. One involves the nature of their brands, the other building share of heart strategies. One lesson uncovered by Johansson and Ronkainen (2005) is that globality has enough benefits that marketers should communicate this feature of a brand positively yet carefully. In communication terms this may mean stating the leadership position of the brand around the world. It may also be useful to make a case for the innovations or features that are only available to a brand with worldwide reach. The advantage is reaching the goal of efficiency of operations. It will be possible to concentrate their brand portfolios and focus on their global offerings. By focusing on a subset of their brands, they will be able to concentrate more marketing resources and creative effort and enjoy a larger yield.

A second brand characteristic, home-country bias, is a negative that must be overcome. The “glocal” focus, melding global brands with local customization, is one solution to the problem. It can help diffuse ethnocentrism and xenophobia. To accomplish glocalization, it is vital to localize some features of the marketing approach, possibly including even the brand name. One approach could be where a brand has a consistent global positioning but the name varies according to country language. In fact, research has shown that many global brands have already localized to neutralize the home-country effect.

There is no substitute for informed intelligence. Global companies doing business in a variety of host countries need to tread carefully to avoid antagonizing the local market. It is true that global brands signal quality and satisfy aspiration in some market segments and a global approach to branding is helpful. Locally, it is critical to establish the basics – differentiation, familiarity, as well as significant margins and growth. Marketing dictates that satisfying the consumer at a profit is the goal. Astute marketers should do the math and determine the proper mix of the greater esteem that global brands provide against the greater fit of localized products in satisfying their target markets. Decision makers should avoid the pitfall of alienating local consumers by eliminating purely local brands or merging them under a global brand. One example of this mistake took place in Hawaii, home to a single local brewing company, Premo. Tourists and locals relished the brand because it was Hawaiian. A national competitor, Schlitz, bought Premo, transferred production to its Los Angeles brewery and in the process lost support of both local Hawaiians and tourists. Both companies suffered and are now under new ownership. Imagine the outcry if Ireland’s Guinness, a brand with deep connections to its home city of Dublin and Irish pub heritage, was suddenly under foreign ownership.

Building share of heart has its own set of implications for marketers. There is no substitute for listening to the voice of the customer, especially when that voice speaks an unfamiliar language. In-depth market research based on interviews with consumers from important local market segments has been shown to aid in new product design and promotion in the USA. The same process is even more important in global markets. It may help uncover emotional links that might be used to make a brand connection. Since culture is such an important determinant of brand success, it is useful to have local experts conduct the research. Without their detailed local knowledge about consumers and the cultural environment surrounding them, it is difficult to gauge preferences and responses to product offerings and advertising appeals accurately. The potential for mistakes, some that could be alienating, is significant and the threat of failure looms large.

Share of heart has been studied in a few cases only in a local context. The nature and scope of emotional connections to a global brand depend to an extent on local conditions and attempts to build share of heart should be focused locally. It is expected that techniques and appeals that work well in one country will be more difficult to implement in others. Even countries with common cultural roots and which speak the same language may need customized emotion building actions. The possibility of adding a marketing or product element to increase a connection with a specific country is worth exploring.
The local-global debate is no longer relevant. All global products contain at least some customized elements that the local market demands. The logical extension of that concept is the dual product strategy that dictates that companies provide their global products for specific countries or regions and also create a parallel line of “local” products for those markets. The result will be exposure to multiple market segments, not just the thin layer desiring global products. The decision should of course be based on firm strategic analysis that considers the economic, demographic, and competitive forces in play.

References

CBS News: 60 Minutes (2006), Howard Schultz: The Star of Starbucks – Scott Pelley Meets the Man behind the Coffee Empire, April 23.

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Executive summary and implications for managers and executives

This summary has been provided to allow managers and executives a rapid appreciation of the content of the article. Those with a particular interest in the topic covered may then read the article in toto to take advantage of the more comprehensive description of the research undertaken and its results to get the full benefit of the material present.

Remember when?

Twenty-five years ago global brands were the next big thing. They were to be the basis for global competition and the engine driving global expansion for mega-sized global businesses. Describing your strategy as merely “international” was a sign of weakness, or an inadvertent admission of being behind the times. Only the word “global”
was big enough to describe the sweeping aside of all of the lesser forces of national brands and the small stuff in general.

It captures the mood of the 1980s magnificently – at least our distantly remembered, clichéd views – the brashness, the cut and thrust, the power ballads, the shoulder pads, the big hair and perhaps the naivety of the business optimism. One size could fit all, except that it doesn’t.

Companies like McDonald’s have lived the 1980s dream of one-branded global domination. Others have too, but even McDonald’s are being forced into reacting to the sensitivities of localized market and cultural conditions. A different approach, in fact an opposite one, has been taken by the Mr Clean brand (as the product is known in the USA). It is also marketed as Maestro Limpio in Latin America, Don Limpio in Spain, Flash in the UK and Mr Proper in most of the rest of Europe.

Business schools abound with the bloopers sheets reflecting the hazards of global brand names. They are the equivalent of car crash TV – the Nova (“doesn’t go” in Spanish); the many and various innocent sounding names that reflect local euphemisms for various parts of the body. Many brand managers have learned to tread carefully and think beyond the helicopteresque view from their power office on Wall Street or somewhere similar.

In fact our whole understanding of international business has evolved. Multi-domestic strategies (maximizing returns in each local market) are no longer uncool. And the transnational has become king, at least for now; companies able to strike a balance between global dominance and local effectiveness.

That was then, what about now?

Remember now?

If there was a global megatrend that could be pointed to – against the background noise of competing megatrends claims – it has to be that of it being OK to talk about feelings. In strategic management intuition is no longer a proscribed word. In brand management the research agenda is dominated by emotions – brand values, brand relationships and even brand love. In broader management even the macho worry about their EQ (emotional quotient), and worldwide television is dominated by the new heroes, or more likely heroines, such as Oprah.

New research by Pitta, Wood and Franzak of the University of Baltimore and Virginia Commonwealth University is both interesting and in tune with contemporary views of business. In their paper brand love is considered in an exploration of how to build “share of the heart” in global brands. It isn’t that market share is dead as a key measure of business performance, but it is a lagging indicator and share of the heart (heart-et share?) provides a strong indication of future performance.

The share of the heart approach provides a defense against aggressive competitive promotions. It is through building on share of the heart that the foundations are created for the future success of brands. It “de-productizes” the product. The secret rests in building customer connections, the question is “how?”

The researchers cite the case of the baseball team the Boston Red Sox in the states and regions beyond its base. Baseball is a sport that hasn’t travelled well, the way others have. It is a technical sport and not packed with action. Worse, the Red Sox have never won anything of note. Not a winning formula you would feel, and yet turning a weakness into a strength has managed to persuade people to have an intense emotional involvement with the team and its successes, or more likely failures, on the field of play. These aren’t fickle “glory supporters” but loyal fans for whom glory is a very distant prospect. They buy a lot of merchandise!

Wineries in Chile and Canada, for example, provide tours and tastings that make people feel part of things, want the product to do well, feel able to be an advocate for it having bought into the corporate story. The authors cite Nassau Valley Vineyards in Delaware, a small company whose loyal clientele is based upon weddings and other fun customer experiences. In a small way the Black Sheep Brewery in Yorkshire in the UK is an exemplar of this craft.

To succeed in an era of new marketing rules brand managers must understand their brand on an emotional level. They have to be able to understand home country advantage. They need to think “glocal” (a new buzzword for our times) – combine global advantages with local ones.

Living in the now feels somewhat more human than living in the past.

(A précis of the article “Foundations for building share of heart in global brands”. Supplied by Marketing Consultants for Emerald.)