



# Global Brand Culture

2004 RAY PODDER & JONAS BERGVALL

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The old paradigm of marketing evolved in a world where the purpose of marketing was to dictate messages to a mass market. One of the main questions then was to choose the correct channel to reach as many people as possible within a specific target group. Enter Internet. One of the most revolutionizing innovations in communications creates hysteria during the 90's, widely known as the dotcom era. The rest is history. It is not until today we see some of the true impact of this interconnected economy, and it is changing the way we think and perceive the world. Internet sure has changed the way we do business, but just as important, it has changed the way people meet, talk and relate to one another. It is simply not more difficult to ask a friend on the other side of the world for advice, than it is to ask our next door neighbor. Quite the opposite really, it is in reality easier to ask a trusted friend than to ask the neighbor you only say hi to while on your way to throw away your garbage bags. New relationships are created across the world, crossing geographical borders, political differences and goes beyond the limits of the old communications methods, as it doesn't cost you more to talk to someone on the other side of the world anymore.

This is forcing marketers to see the world in a new perspective, not bound by geographical borders, but truly global. Target groups may be local one day, and spread across the world the other, depending on the offer. This due to the fact that people from diverse countries may share the same traits, and they talk to each other. But does this mean we can ignore the geographical borders? Does this mean we can divide the world into the same kind of segments as we do within a nation? What part does the phenomenon "Culture" play as the new world is forming before our eyes? Does this mean global cultures will exchange the nation bound cultures? These questions are what captured our curiosity and made us want to know more about what "Cultures" really are and how they may come into play during our world's transition into going global. As a new world is forming before our eyes, how do we as brand strategists adapt to these changes, and what is likely to stay more or less the same?

### About the authors

**Jonas Bergvall**, Managing Partner at **Cocos Brand Concept** ([cocosbrandconcept.com](http://cocosbrandconcept.com)) in Sweden, a brand consultancy with a specialization of adding creativity to the strategic brand development process. His interest in cultures is born out of his curiosity to find out about tomorrow's rules of the game for emerging and growing brands. As he sees old traditional cultures clash, and build something new, he thinks this is going to create new prerequisites for brands. Although this cultural development is hardly something new, the pure scale of this transition is what makes it extra interesting in the seek of new exciting solutions.

**Ray Podder** is the owner of **GROW** ([growbrand.com](http://growbrand.com)), a unique entrepreneurial development partner for emerging brands based in the US. He believes that now we're in the "connection economy", which may have the most profound effect on us as a civilization yet. The value of those connections, the where, the when and the how which will be the new currency for some time to come. Ray is especially interested in this topic because he believes civilization advances by extending the number of important things we can do without thinking about them, and the connection economy is turbo charging that transition. In such a scenario, how cultural differences may affect the ways we select branded concepts in our global marketplace, whether it's goods or governance, is quite intriguing to explore.



## ***A new world - new demands***

It used to be so much simpler. The choices were fewer, the demands on each and every one of us were lower and the pace of change was slower. In our ambition to create a global market there sure is going to be a price to pay, especially during the transition. Most of all we pay this toll in the form of time: the time it takes to choose, to learn new things, to find and negotiate with suppliers and customers. The transition costs is estimated to be closer to two thirds of the economy, and as that time doesn't produce any direct income, it is important to reduce it to as little as possible.

In our multi cultural world the costs of just dealing with it is going to force forward new ways of simplifying things. To adapt the features of Simplicity, Trust and a Common view is crucial to reduce the costs and to grease the global multi cultural machinery. These words are all three highly social parameters and this is why it is so important to understand cultures. Because we need to create trust and a common view across cultural borders before we even can start simplifying processes and principles. It is only when we understand each other that we can start to build a mutual trust. This is true for people, companies and nations as well as for brands, if there is a difference.

We identify with brands as we relate to their values, behaviors and symbols. Interestingly, isn't that just how we relate to our cultures? The comparison is relevant since brands basically are most of all about human relationships and needs, just as cultures.

## ***Definition of the term Culture***

What is culture anyway? There are probably a bunch of images popping up in your head when considering the word. You might think of exotic dancers from some distant country, or maybe you think of high culture, opera and intellectual discussions while drinking red wine?

When you read up a little bit about what anthropologists and psychologists say about cultures they seem to have slightly separate opinions, but a common definition is this:

A culture is the system of shared beliefs, values, customs, behaviours, and artifacts that the members of society use to cope with their world and with one another, and that are transmitted from generation to generation through learning. (Bates, Plog 1990)

One single sentence and yet so incredibly complex. But if we take the sentence above and break it apart, then one keyword is learning. This means culture isn't something you are born with, it is taught to us. Then there are values and beliefs, which is what is going on in our hearts and minds. Values are ideas about what's important in life. But also customs and behaviours (norms), which is the ways you are expected to act and behave towards one another within a certain culture.

With such a definition it is easy to realize that it is difficult to perceive the culture you are actually

living in, since large parts of it are unconscious to us. No wonder there are so much misunderstanding between cultures when such large proportions of our view of the world is formed by the cultures we live in, and those are not even clear to us.

Why do we develop cultures then in the first place? The definition above suggests that cultures are a way for us to cope with our world and with one another. The human being is a social creature and we need rules for interaction with one another. Normative Conformity is a socio-psychological term, which explains how we create norms for ourselves within a social group and those rules we are not likely to break since we don't want to be excluded from the group. Many brands feed on this normative conformity, brands that tells you that through buying them you are granted a belonging to a specific social group. Yet sometimes one really does feel the need to break with the norms, which is the case of many other brands trying to make us want to break away from the ordinary and listen to our own hearts.

A beautiful definition of culture however is this one: "Culture is the sum of all the forms of art, of love and of thought, which, in the course of centuries, have enabled man to be less enslaved" (The french author André Malraux)

## ***Cultural differences historically***

It's interesting to note that the modern notion of philanthropy that spurred organizations like Greenpeace, World Wildlife Foundation, etc. was a reactionary measure to the industrial revolution. Sudden economic transformations have a way of doing that... Today, we are facing another of such transformations. A globally connected society is emerging from unprecedented advances in communication technologies, the tipping point of which could be attributed to the Internet. The question may be not so much to examine how we've been different historically, but what created those differences in the first place? It's a matter of seeing the forest through the trees, as we examine the roles of economic and communication systems that may have played a formative role in the ways we've traditionally differed culturally.

Maybe it always comes down to the underlying economic system. Meaning the way certain groups have managed to sustain themselves against the geographic and ecological hand they were dealt. If we trace back to the origins of any of the currently established cultural norms in the world, we can clearly see that they have been rooted in their particular means of deriving sustenance. Cultures have evolved from nomads who had to move from location to location to survive, to hunters and gatherers who eventually progressed into self-sustainable agricultural communities. There have also been opportunists who survived by taking from others. If we look at the recent geopolitical landscape there are still remnants of that kind of thinking which forged today's modern civilizations.

The interesting thing in the evolutions of all of these types of societies seems to have been the catalyst of communication and transportation. In the ancient world, the invention of the written word created



kingdoms that could pass down the law by writing them down. Prior to that, egalitarian societies evolved by passing down stories, albeit a similar yet primitive method by comparison. The fuel that propagates communication has always been the mode of transportation. Having just two or four legs bound people to geography far closer than when the wheel is introduced, did it not? It seems that the propagation of information, and the resulting progress is limited by two factors. The first being the method of communication, i.e. reading, writing and so on, and the second being the efficiency of getting that communication from point A to point B.

Today, it is no surprise that we are indeed in the middle of another sudden economic transformation. This particular one is a bit different than the ones that came before it. Mainly because, it has laid down the foundation for a different kind of communication and transportation—the kind that's potentially all-inclusive and instant!

## ***How different are we?***

The Maslow's hierarchy of needs (Maslow, 1970):

1. Physiological needs such as: hunger, thirst and bodily comforts.
2. Feeling Safe, feeling secure and being out of danger.
3. Belonging and love, affiliating with others and being accepted.
4. Esteem, achievement, being competent, gaining approval and recognition.

The physiological needs are the same for all human beings, so the things that separate us should be of social character. In other words, the values within a culture which enable us to belong and be loved. You need to follow the norms and conform to them in order to affiliate with others and become accepted. The ideas within a culture, of what is important in life, is something you need to know about in order to gain self esteem and gain approval and recognition. Those things should be very important to brands too right?

Let us take an example of how different our ideas of what is important in life can be. In a research article from Psychological Science (Vol. 12 No. 6 November 2001) describes a research and analysis of cross-cultural avoidance, relative to approach personal goals. "Personal goals are described as objectives that individuals pursue in their daily lives, and approach goals are focused on a positive outcome of these goals (e.g. do well in school, make friends) while avoidance goals are focused on negative outcome (e.g. not to do poorly in school, avoid losing friends)."

This research took into account the differences between individualistic versus collectivistic cultures. The finding was that "the adoption of avoidance relative to approach goals varies as a function of individualism-collectivism. Asian Americans adopted more avoidance goals than non-Asian Americans, and persons from South Korea and Russia adopted more avoidance goals than those in the United States. interesting however is that avoidance personal goals are a negative predictor of an individual's well being in individualistic cultures, but not in collectivistic cultures."

So what about Europe? United States and Europe are in some cases considered to be much alike, both being the stem of the Western World. Is Sweden for example an individualistic or collectivistic country? According to one study (Johanson et al. 2002) those closest to Sweden culturally are Norway, UK, Germany, Denmark and USA, in that order. Sweden is described as an individualistic country, is risk taking, has decentralized power and is the least masculine country in the study (less masculine being described as considering human relations being important to the culture, considering quality of life and the environment to be more important than money.) This is all probably true, but along with the interaction with other cultures, the Swedish culture will be likely to change. The question is how and in which direction and influenced by whom? The really intriguing thought is that what if there is no culture you can call Swedish in the future? What if the only thing that keeps us together is the fact that we still elect a common government. What happens when and if the national interdependence decrease and people start to form new global cultures, unattached from their geographic origin?

## *A globally unified culture*

Does unification mean homogenization, or the assimilation of an even more complex society? For example, especially since the industrial revolution, the world at large has adopted ideals of the west because the west has symbolized power and economic strength. But going into the next waves of change, will we adopt other influences like spirituality, spicy food, and bollywood dance moves? Will a unified culture be richer or simpler?

As communication bridges the gaps of geographic distances, will it not also make people want to hold on to their traditions even more? Isn't it a question of our identities we need to preserve in an increasingly transitory world? Will we accept our identities as fluid, or will we stick to tried and true ideals of our geographic ancestors?

The democratic government in the US was made possible largely due to the invention of the printing press. The more citizens who could know about the issues, the more they were equipped to make critical decisions about their government.

The railroads in the US started the formation of Wall Street and eventually the NYSE to fund the development of the infrastructure, and with the advancement of that system came the need for a managed industrialized workforce that have defined the previous century.

Today, with information flowing and conversations buzzing through Global Media, Mobile Communications and the Internet we are again seeing some very interesting changes. But still foreign companies instill their versions of reward systems in new environments, and local people either adopt it or reject it. Such as an U.S. based company trying to instill an "Employee of the Month" program in China. Such a culture like the Chinese that is based on harmony and shunning individual attention rejects the proposition and declines. But when the same U.S. based company allows teams instead of hierarchies, their concept of seniority rule is challenged and put to rest for favor of better working environment, and the Chinese values of productivity, and "harmony".



These days, adaptive strategies dealing with uncertainty seem to be the buzz for business to reach customers, but does that work the same way with the attitudes of people? In other words, do people generally welcome change or resist it? That's a big question without any clear answers, but one way to initiate that discussion may be to look at it from a cultural perspective.

One perspective is that cultures emerge out of economic necessity. If an economy is based on localized production, such as in agricultural communities, then the culture that follows is one of maintaining that system at its most efficient peak. A simplified and crude example may be that, a farming community requiring physically strong farmhands to produce optimal output, inevitably evolving into to a generally patriarchal society. Historically, cultural difference remained to preserve economies, the systems of survival. You don't have to be a genius to figure out that diversity is the lifeblood of adaptation; and adaptation is how we survive as a species. When a company based in California sets up stores in Arizona do they think that they are trading between two jurisdictions, or merely shifting resources in an open marketplace?

Another perspective may be that cultures are independent of economics, and they are formed by genetic and geographic and political parameters. For example, wars killed off most of the able men hunter gathers to produce a culture of women amazon warriors in ancient Greece. A matriarchal society was possible there because the women there were smarter, more adaptive and better nurturers than their male counterparts. However, as most wives would like to have their husbands know, that's always been the case.

Today, our commercial landscape is a significant factor in the appearance of a globally unified culture. It seems that corporations have offered us similar branded choices in entertainment, food, and communication so that when we make a reference to MTV or Levis, our counterpart in the opposite corner of the world knows exactly what we mean. Does that mean we have similar cultural interests? Maybe, but most likely not... partly because we each grew up in households with different priorities, influenced by different politics, and observed different customs.

Just as communication brings change, change inevitably brings resistance.

In a world of dissipating borders, terrorism is still rampant, and not dying off anytime soon. Fundamentalism and racism are better organized and just as prolific as the idea of a globally unified free society. Billions of people still go hungry each and every day and couldn't care less about having the latest MMS handset. For them, cultural biases are beyond product or service preferences, they choose brands of ideology against those who they think are responsible for their predicament. In times of need ideologies seem to be the only solace, and tradition becomes the only stability. Even for the other side of the economic divide, it is not so clear, how these institutions of long-standing change affect cultures. Western religion for example, often seems to deny change as in the case of women's and gay rights within the church. However, at the same time, religion is often an instrument of change as churches in the US have a positive impact on the environment by an organized tree planting excursions within their congregations. We have scientists who teach evolution and believe in creationism.

People adopt cultural changes or anything else for that matter which meets them at the path of least resistance. It's easy to say if something is more convenient, or tastes better and doesn't interfere with my belief system, I'll adopt it, but is that really true? It may be, but I think we're at a time when identities and belief systems are more fluid and predictions of what people will like is based more on variables than absolutes. What will the culturally sensitive global brands of the future be like? Will they come from the extensions of centralized brands or decentralized cultural hives? Only time will tell.

Global commerce may have enabled us to transcend borders and select everything from products to even governance relative to us, but how we make those choices are of historic and cultural significance that still play a major role. For example, we choose the Disney channel instead of our governments to buy into the censorship for our children we are comfortable with, and FedEx instead of the local mail service when we want to ensure safe delivery, but those choices are largely still predicated on long standing cultural biases. In another part of the world, Mickey may as well be an infidel, and FedEx represents a loss of control over government regulation.

### ***Are cultural differences a problem?***

How about our next generation growing up in an interconnected world? When they grow up seeing the same media, relate to the same businesses like FedEx, and talk the same language over Instant Messenger, how are their cultural biases formed? Is it any wonder why most of the young people in the English speaking world seem to talk like kids from Southern California? We now have universal movements like Hip Hop crossing the borders from inner cities of the U.S. to Gangsta Rap in Paris, but does that phenomena encompass their attitudes in total about the majority of our common issues? Do they think the same way about tradition, politics or the environment? It would be easy to say yes or no because there are enough examples to back up either point of view, but most of us know that it's not all that simple. Being globally communicative may mean exposure to global issues at large, but reaction to them are still deeply seated in local biases. At least for the time being.

Just think about it, what if we really become all the same? All people would look more or less the same, have exactly the same values and aim for similar things in life. What a boring world don't you think? The differences are beautiful and they make the Earth a wonderful place to live on. It's when we get indifferent and intolerant to the differences that things start to get disturbing.

But then again, is that what a new global culture is all about - sameness? Well, it certainly would be lot easier from a brand's perspective, with just one single big consumer segment having the same values and striving for similar things in life. Everyone watching the same TV shows, reading the same magazines and newspapers, attracted to the same community waterholes on the Internet. This scenario sure would make brand planning and media selections a lot easier, and we wouldn't have to spend as much time writing marketing plans. From this perspective, cultural differences might be argued to be more of a problem and should be eliminated as much as possible. Since the goal of branding is to create monopolies, one brand becoming the soul supplier for as many people as possible, less cultural differences would make that process easier.



On the other hand, the diversity of information sources; billions of web site on the Internet and hundreds of TV-channels, creates it's own little peculiar problem. It has been suggested that this causes people to become more isolated than before, as one could argue that the hyper personalization of the Internet is making people less informed. It could even be a threat to democracy if people only chose to expose themselves to information which are in line with their personal interests, which would make us more ignorant of other things going on in the world.

This suggests that we might get to see a world of both hyper socialization, with a new global culture, as well as hyper personalization where more people tend to shut the world out, in fear and fatigue. So not only should brands cater cultural differences in order stay relevant, but brands in and of themselves ARE cultural differences, socially as well as psychologically.

### ***Is it possible to generalize about cultures?***

The fact is that cultural differences exist. It may not be totally fair to say that people from a particular country or origin have these or those characteristics, someone living there might even say he or she isn't like that at all. But to generalize about cultures isn't as much a question of labeling people, but a will to understand why others don't act and think like I do. Hence the most difficult task is to understand what kind of cultural prefixes I carry around and how those colors the way I look upon the world around me. If you can't understand yourself, you're not likely to understand others.

## Discussion

Jonas:

***With having roots in India as yourself, would you say that it is easier for you to identify and understand different cultures than is the case with other people, according to your experience?***

Ray:

I don't know if it's necessarily easier, that's a matter of one's individual perspective towards the world community. In terms of my origins being from India, I think it's a different perspective for transplants in general. It's interesting to note that when we came to the U.S. during the seventies, me and most expatriates of my generation "anglosized" our names to fit in (Ray's given name is Rahul Kumar Poddar), because nationalistic norms were more important than cultural diversity at the time. Today, I believe interconnectivity is changing that for the better and cultural fusion is more about harmonizing diversity than homogenizing assimilation.

Jonas:

***What do you think the possible global culture will look like? Do you sense that the values are changing in any ways in the US? Or is perhaps the idea of geographic boundaries just no longer valid do you think?***

Ray:

That's a tough question. I can give you an idealistic scenario where we are all interconnected and we embrace diversity and world becomes a culturally rich place, but then there is that little thing about human nature and power. No one in power ever gave it up for the good of humanity, and I can guess our progress will definitely be guided by the nature of our power structures. The current negative perception of the US may be just such a causal relationship. The US muscles its will wherever it suits their interests and that will probably continue as long as we have the most powerful economy on earth. I do think, however that the "connection" economy will empower people to shift power in non-traditional directions. There are clear examples of it throughout the world. The effect of text messaging being instrumental in overthrowing the Philippine government in 2001, immigration becoming a non-issue in outsourcing business processes, banks stopping the charging of ATM fees, and the recent phenomena of things like social networks and flash mobs.

Ray:

***What effect negative or positive do you think the EU is having on the individual identities of each of the sovereign nations in Europe? Are the identities becoming more fluid, or is historical baggage hindering true collaboration and cooperation?***

Jonas:

Yes, I think the European Union has a long way to go before the sovereign nations are prepared to fully cooperate. The histories of many countries are indeed very old and Europe seems to have always been a hearth of wars. The Union is a political experiment with the ambition to decrease the possibilities of future wars, and economic stability. The problem is that the politicians have gone far ahead of the



people, who at least on the surface seem to be skeptical. But I sense that on a deeper level there is a fundamental change undergoing, people are starting to catch up and eventually I think we will realize that collaboration between ordinary people opens up new possibilities for growth – economically and personally. I also think this is going to force forward the development of more distinct national identities as we need to have a clear sense of origins to be able to build something mutual.

Ray:

***What's your prediction for the future of global brands in the cultural context? Do you think that brands will become more diversified to satisfy a culturally diverse population, or do you think they will become more unified in their offerings as we all get tuned into similar shared experiences? Why?***

Jonas:

I believe that as more people interact with each other on a global basis, our similarities and differences are going to be much clearer to us. This, opens up a much wider variety of needs and wants, physiological as well as on a social and psychological level, and should therefore create an opening for a large variety of brands. I think this will happen. But at the same time I think we will continue to develop a new standard, a new global normative conformity where people from all over the world will try to live up to this constantly changing standard, since it will be almost impossible to “maintain” the same norms globally. This will lead to a lot of confusion. This creates an opening for global brands who can show us what the rules and norms “should be”, and these are what people are going to relate to.

So, my answer to your question is that I think we are going to see both, on one hand a more diversified variety of brands with all kinds of new and wonderful combinations. And on the other hand global brands based on the norms of the new combined social standard, which is going to be more or less surreal and ever changing. Thus, I think that the global brands are going to even more transcend reality in order to create the next “impossible dream” for people to aspire.

### ***Our questions to you:***

- What do you think will be the most significant impact of cultures on global brands?
- Which forces in addition to cultures may have the deepest effects on our world?
- How would you define your own culture, and how does it affect your point of view?
- Which culture do you think is going to be the next big trend setter? Still the US, or China or somewhere else?
- What do you think is the most unifying practice of any culture? The most dividing?

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