

Global Branding for the Small to Mid-Size US Enterprise:

Making the Most of Marketing
on a Budget

By Brooke Fawcett

Senior International Marketing Lead

E.M. Wasylik Associates



E.M. Wasylik
Associates

Business Across Borders™

608-850-5643 | www.emwasylik.com

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TAKING A BRAND INTO GLOBAL MARKETS

Eighty-four percent of small to mid-size enterprises in the United States doing business outside of the US do not have employees or operations to represent their organization in international markets⁽¹⁾. How do these organizations mitigate the disadvantages of entering and trying to achieve success in these regions without representation? How do they manage expectations with distributors? Are they effectively reaching their potential customers?

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Why a "Brand"?

A company's brand is more than a logo, more than a story, more than a catchy phrase. A brand is the recognizable response to a customer's need. Creating the brand with care and thoughtful insight will support effective implementation.

It's critical to control the vision, mission, position, pricing, and integrity of both the product and the company behind it, especially in global markets. Organizations that deal with a distributor channel, rely on importers, or work directly with consumers in these markets can create unintended and unwanted opportunities for company messaging and branding to go off track.

Planned control of branding enables these organizations to maintain a consistent, unified branding and messaging strategy. For instance, the more an organization provides an online presence, the more it controls the brand, offers visibility and transparency on the client end, and ensures that the distributor has the marketing and sales support necessary to succeed in a specific market.

Marketing Strategy: Positioning, Customer Segmentation, Targeting, and Sales

An organization's business plan sets in motion the entire marketing strategy through that company's vision, mission, values, goals, and objectives. It's imperative to determine these defining components of the overall organizational strategy before creating the brand. To have an effective branding and marketing strategy, companies must be clear about their value proposition and differentiation from their competition.

While working on an ad campaign for a manufacturing client, E.M. Wasylik Associates discovered that the organization had a difficult time deciding what to convey about the company and its products. The decades-old organization had a new owner who

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wanted to explore new markets and grow the product line. He acknowledged the importance at this point of taking a step back to develop an updated mission and vision, as well as to determine organizational goals and create internal continuity. Key messages emerged from this exercise, strengthening the overall organizational brand and conveying critical product differentiation.

Because marketing drives sales efforts, and the marketing plan supports sales in every step of the sales funnel, organizations have to know themselves, their competition, and their customer. As the organization enters global markets, identifying customers on an international level will ensure that excessive funds are not invested in regions and on marketing translations that won't contribute to overall growth.

By performing a global market analysis – taking a bird's-eye view of the worldwide market to analyze products and services in a broad context – organizations might discover that they have a better market farther away than when they assumed the best strategy was to play it safe by simply selling into a neighboring country.

Use of the organizational strategy, along with an operational analysis, gives organizations an understanding of their position in each market to determine if developing that market would be a valuable step. For instance, the low-cost leader in the US can quickly become the high-priced option in another market when import costs are added to a product's price. Data from research conducted ahead of time will ensure that an organization is positioned to better guarantee market success in each region.

Just as in the domestic market, once organizations establish global target markets, they can determine which market segment to focus on in order to more efficiently refine messaging and branding. Branding that clearly promotes the customer value proposition ensures messaging that reaches each market segment on a level that resonates with them.

As an example, a cosmetics ingredients supplier needed assistance finding out why sales were flat, even though company principals believed their messaging was true to the product. Marketing efforts had been focused on getting the attention of end-users in a crowded and expensive cosmetics industry space.

E.M. Wasylik Associates performed global research of the industry market for cosmetics ingredients and determined that there would be greater potential for success by going directly to chemists purchasing the ingredients for larger manufacturing companies. Proving to be a more effective use of marketing efforts and dollars, the market approach and message changed, and the firm's sales pipeline immediately began to grow.

A customer's perception of the brand is the reality of the brand.

Using messaging that connects in the right way with the right market constitutes as much of the brand as does the work that goes into creating the brand itself. A customer's perception of the brand is the reality of the brand. For instance, in many industries where the market is crowded, companies must repeatedly prove themselves. There is little room left to compete when there are cultural hurdles to overcome and when import costs make pricing inflexible.

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Localized branding can be a key to success in times of financial crisis as well. As BREXIT initially created a record low value for the British pound, what may have been of great concern to UK organizations became their pricing advantage over products imported from the US⁽³⁾. The strength of a brand and the weight it carries ultimately determines a US organization's buoyancy in foreign markets suffering through financial crisis. Initial research and understanding these markets are key to determining a targeted strategy.

Working with a distributor is often the only way to enter a foreign market. While this approach helps implement a local strategy, there can be more to creating regional brand awareness than imparting sales tools to the distributor.

A construction-equipment manufacturing organization had a strong distributor channel, but it had difficulty capturing leads in each region. E.M. Wasylik Associates created a marketing strategy to target end-users and increase brand awareness to industry influencers. Targeting the end-users in this plan not only supported the distributor's regional strategy; it provided leads for the distributor as well. This example serves to again illustrate why conducting market research and understanding your position is so important.

Brand Messaging

Company messaging should address needs and priorities when attempting to persuade customers to spend their money on a product or service. In creating their messaging, companies should refer to their business plan and product value proposition. The value proposition isn't a catchy phrase; it identifies the void that an organization's product or service fills, and it should directly respond to the customer's needs.

Many organizations find that developing their tag lines, mottos, and logos is the fun part of marketing. These phrases and graphics identify for the customer a product's purpose and differentiation from the competition. The differentiator could be pricing, such as Expedia's "Great prices guaranteed." The differentiator could be quality, such as Mercedes Benz's "The Best or Nothing." Or the differentiator could be the fact that the product is a substitute for other products, such as 7-Up's "The Uncola."

Although catchy, these tag lines aren't intended solely to replay in the consumer's head; they are intended to continue the thread of the business plan and bring the organization to its overall business goals: to provide services and products to their target customers. When entering new international markets, however, organizations need to test their product names and tag lines for cultural and language references to ensure that the message translates accurately, yet still resonates in the market.

In social media, as with traditional advertising platforms, establishing the "voice" that represents the company assures consistency. Again, organizations that clearly identify their own position as a response to customer needs in the beginning phases of planning

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their market strategy will more easily be able to determine the appropriate nuances of voice, visuals, logo, and overall marketing messaging.

Although branding needs to communicate an organization's DNA, so to speak, clients too often spend a lot of valuable "real estate" — the space on their product packaging as well as their brochures and ads — explaining their story: "why," "who we are," and "how we got here." While a story might be engaging, customers are going to spend only a minute deciding whether the product or service provides the solution to current, specific needs.

Organizations should use this valuable real estate to frame their product as meeting the customer's needs. Everything else should be back-story, more appropriate for web pages and blog posts. Organizations that focus on key messages that offer a clear customer value proposition and address the customer's needs are more likely to move the customer into the next phase of the sales funnel.

Throughout the product or service campaign advertising process, it is fairly inexpensive to test various messaging to see which ads generate more interest or engagement.

Implementation of the Brand – Integration for Consistency

Brand consistency fosters trust. To create a recognizable, consistent brand, successfully marketed organizations carry their brand through every mode of communication. Company letterhead and envelopes should match the company website and appear on presentations, in press release boilerplate language, on sales team materials, in email addresses, and as one voice in social media, all the way to the company Twitter avatar. Visual marketing elements and rules for their use should be included in a brand outline guide, acting as a template for all printed and PR publications, and established across all media platforms.

Brand and messaging should periodically be assessed for effectiveness, especially within different international markets. Fortunately, in this age of digital marketing, testing customer response can be more nimble. Throughout the product or service campaign advertising process, it is fairly inexpensive to test various messaging to see which ads generate more interest or engagement. By either validating or improving that messaging, organizations are able to better track, measure, and pivot their marketing efforts.

Global Branding on a Budget

Of the 70,000-plus organizations exporting from the US to foreign markets, 98% are considered "small business."⁽¹⁾ Further, an international department's first year focusing on exporting is often viewed as being somewhat of a start-up effort for a small to mid-size business, and most of the operational and marketing efforts are done in-house, typically by the CEO. Questions often arise about what to prioritize and which steps will create effective branding without costing a lot of money.

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1. **Market Research:** Know the Customer. A country's annual GDP doesn't tell the whole story about a market's potential. Certainly it doesn't describe the culture, the needs, or the satisfaction level of alternative uses for a product that may be prevalent in the US but not used in another market.

One of the top three concerns US companies that want to develop international markets have is a lack of knowledge about how to begin.

2. **Sales Logistics:** Know the Inroads. Is it better to be with a distributor, sell direct to the customer, or secure a joint venture? The answer lies in diligent market research. Cater your marketing strategy to the way your product enters the market.
3. **Marketing Strategy:** Know the Plan. Determine up front how, when, and through which methods the organizational messaging and branding will be established, controlled, and maintained. Making this effort ahead of time creates a roadmap for both sales and operations, and it provides the platform for establishing important sales and marketing milestones and measures.

One of the top three concerns for US companies that want to develop international markets is a lack of knowledge about how to begin⁽¹⁾. If your organization shares this concern, seek outside assistance. Free or low-cost resources are available through the US Commercial Service–International Trade offices, international trade organizations, International Trade Council, and state development offices, to name a few. Expertise can also be found by working with private international business development organizations.

ABOUT BROOKE FAWCETT

Brooke Fawcett is the Senior International Marketing Lead for E.M. Wasylik Associates, consulting with clients to help them achieve international success through effective sales and marketing strategies. She holds an MBA in Global Management from Thunderbird School of Global Management, and is an experienced professional with a successful history of creating marketing strategies and leading project execution for clients. Her broad marketing background has taken her from working with small startups to large corporations, spanning a wide range of industries including manufacturing, finance, and retail.

To contact Brooke, email brooke.fawcett@emwasylik.com or call 520-271-8961.

ABOUT E.M. WASYLIK ASSOCIATES

Companies looking to execute their global vision turn to E.M. Wasylik Associates (EMW). Since 1998, EMW has successfully assisted clients in expanding their global reach and taking their products, services, and technology overseas. EMW's clients recognize that to effectively expand to new markets and conduct Business Across Borders™, strong outside expertise across a wide range of functional areas is needed. From strategic to tactical international business services, the EMW team brings years of experience, a wealth of knowledge, and strong outside expertise across a wide range of industries.

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Resources

- (1) <http://www.nsba.biz/wp-content/uploads/2016/04/Export-Survey-2016-Final.pdf>
- (2) <http://www.forbes.com/sites/panosmourdukoutas/2013/09/28/overseas-marketers-real-problem-in-the-chinese-consumer-market/#221289fa6161>
- (3) <http://time.com/money/4384545/brexit-sales-cheaper-prices-americans-travel-imports/>



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