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Branding in Emerging Markets: Lessons for Zimbabwe

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Abstract
This paper's objectives are first to analyse the branding strategies used in emerging markets. Secondly, the paper describes and evaluates the branding models used in emerging markets and finally suggests the branding model for Zimbabwe to enhance positive perception of her products. As for the methodology of the paper, content analysis of academic papers published in major marketing, advertising and international business journals has been used. The then paper identifies branding strategies and models that have been successfully used in emerging markets. The other finding is that the aspect of branding in emerging markets has not been widely covered even by the leading marketing journals. Given the perculiarities of these markets and their importance to the global economy more research could be carried in this area.

Keywords
Branding, Branding Strategies, Branding Models, Emerging Markets

I. Introduction

During the past decade, Zimbabwe's leading trading partners have shifted from the West to the East and South, with China and South Africa leading each respective geo-economic group. In these new markets, Zimbabwe's products have to compete with global, national as well as local brands in an increasingly complex cultural environment [13]. Observe that countries such as China, India, Brazil, Mexico, Russia, South Korea, South Africa, Egypt and several others, are currently experiencing a heightened consumerism owing to a boom in their economies. These countries comprise a whopping"86 percent" of the world's market .Marketing successfully to the "86 percent" is imperative for companies that want to remain globally competitive.

This paper discusses how branding can help Zimbabwe to position her products competitively in these new markets. The paper deals more specifically with the purpose of branding, the branding strategies and models that have been successfully implemented in emerging markets, particularly the BRIC (Brazil, Russia, India and China).

As for the structure of the paper, the first part looks at the methodology used for the literature review. After that, models of branding in emerging markets are discussed. The paper then concludes with recommendations for the Zimbabwean brands and areas for further research.

II. Methodology

The method chosen for the literature review is content analysis. This approach has been used in similar studies in international marketing [14, 18] and international advertising [20]. There is a vast amount of information on brands, branding and international branding in both refereed journals and most recently published books. The journals visited include the Journal of the Academy of Marketing Science, Journal of Marketing, Journal of Marketing Research, Journal of Retailing, and Marketing Science. Furthermore, we added the most highly regarded international business journals based on [4]. These include International Marketing Review, Journal of International Business Studies, Journal of World Business (formerly Columbia Journal of World Business), Journal of International Marketing and Management. From these journals, a key word search for articles on branding, branding in emerging markets as well as branding models for emerging markets was used and only 10 articles were extracted for content analysis. This shows that although there is vast information on international or global branding, the same can not be said about branding in emerging markets.

III. Origin of Branding

Branding has been around for centuries, dating back to 1300 BC [10]. [7] note that the original motivation for branding was for craftsmen and others to identify fruits of their labour so that customers could easily identify them. Branding can be traced back to ancient pottery. Pottery and clay lamps were sometimes sold from the shops where they were made, and buyers looked for stamps of reliable potters as a guide to quality. Marks have been found on early Chinese porcelain, Greek and Roman pottery jars as well as goods from India dating back to 1300BC, [10].

IV. Definition of Branding

Branding is a term that has evolved over a period of time. With the emergence of new business realization from the 1960s as a result of changing consumer attitudes, the term evolved to include 'what the product can do for the customer'. The most celebrated definition of branding involves creating a product or service which customers perceive to have distinctive benefits beyond price and functional performance. [11] define a brand as "a name, a word, a symbol, a drawing, or a combination of these which aims at identifying the goods and services of a company and differentiates them from a competitor." While this definition limited branding to a company, recent literature, [1,3,5], shows that branding can have geopolitical boundaries. Therefore, we can talk about product, company and country or nation branding.

V. Can Anything be Branded?

[10], contends that branding is necessary to teach the consumers who the product is by using a name and giving other brand attributes to identify it. Differences with other products should be clearly spelt out and the meaning of the product to the customer is to be provided, that is, what it can do for the customer. So anything offered to the market for acquisition or attention can be branded. Business has even branded water (as is the case of Jacob's Well water, Tinga Mira etc), people (as in arts, sports) and destinations.

VI. Country of Origin (COO) Branding

Countries, just like companies build, manage and protect their brand. There is an intrinsic link between brands and countries that produce them. Strong individual brands of a country can help shape the image of that country because a brand influences consumers' perceptions of the country of origin. This has a tendency of producing a halo effect on the industry or sector from where these strong brands are coming. This has been the case for German engineering, French perfume, Italian leather, Japanese electronics or South African wine. Brands are always linked to their birth place, or country of origins. Think of Land

Rover or IBMs ThinkPad. These were British and American brands respectively. Their acquisition by Chinese companies is yet to break the cultural links between these brands and their countries of origin. Customers who have been loyal to these brands will not stop buying them because they are now coming from the East. Leveraging the country of origin as a branding statement can have its ups and downs. A negative perception of the country can have lead to a negative performance of the brand. For example, Sun Top, a Danish brand once made great success in Saudi Arabia. However, sales plummeted when a Danish newspaper produced a controversial cartoon of prophet Mohammed. Although the brand was now Saudi Arabian, consumers still strongly linked it to its country of birth. Companies can find great value by associating with brand's nationality. Uniting nationhood with an industry or company can foster value. Many countries have the country brand board which supervise the quality control systems and use the 'made in' tagline.

VII. Benefits of Branding

Branding benefits the customer, company and country in various ways. It differentiates an offering from others in the marketplace, [10-11,19]. According to [2], branding represents the firm or country, therefore the brand becomes the company or country and the two become inseparable. Customer loyalty is also increased [10-11]. Once customers become accustomed to a particular brand, switching costs become high and so do not easily accept a substitute.

The other benefits of branding include:-

reduction of risks associated to failure, creation of market entry barrier by protecting the company's market share and brand equity; increase in chance of successful new product introduction on markets, [11]; provision of legal protection of unique product gestures through brand name and trade mark; processing and tracking of orders become easier, [10] and good branding has a ripple effect on company performance and employee satisfaction and commitment.

VIII. Strategies for Branding in Emerging Markets (EMs)

A. Experimental Marketing

Modern customers have become more and more 'non-conformist'. They demand the experience and not the product. Consequently, 21st century companies need to learn to involve the customers all the way in the value chain. This synergy will lead to better experiences for the customer, better customer loyalty and better financial results for the business.

B. Product Service

customers no longer like being sold a product but like being serviced. The success of a brand lies in interacting with customers, involving them and listening to them. This success is essential in building and leveraging brands, [10]. Customers who are fully involved and understand the company's activities (policies, practices, ethics, production processes and marketing philosophy) build a stronger relationship with the company and its brands.

C. Make your Global Brands Local

Customers are interested in seeing the product behind the brand. Companies should learn to produce superior products and demonstrate that they are really steeped in the customer. This means that brands should be tailored to meet the needs of the local markets within the markets. For example, Microsoft India produces software in the fourteen (14) official languages of India. Hindi is the major language while the rest account for 30% of the total population, [13]. In addition, developed countries such as Germany, USA and Japan are associated with high quality products whereas developing countries such as China or Korea are associated with poorer quality products, [18]. Companies from the latter have learnt to produce superior products through alliances with the former.

D. Use Local Brands to Establish Market Presence

Research has shown that on one side some local brands can be very powerful and on the other consumers with ethnocentric and nationalistic inclinations tend to prefer local brands. These consumers feel that it is morally appropriate to buy domestic rather than foreign goods, [12]. Coca-cola relied on local brands to go where its flagship could not go. For example, in China, Coca-cola offers water and tea products under the locally developed brands. EBay entered China, India and other parts of the world through local acquisitions thereby creating "mini-eBay".

E. Grow your Own Brands

Where acquisition of local brands is not possible, then the strategy should be to create own brand. This is possible through needs or gap analysis of the market. Segments that are not fully served are identified and products are tailored for them. In India, the detergent brand Nirma, which started as a backyard product and distributed using a bicycle, now, has a 15% market share, [13]. This brand was targeted at the price-sensitive segment which had been overlooked by other brands.

F. Stretch the Brand

Brands can be stretched to extreme ends of the market as long they are not broken. For most brands, the war is waged in towns yet the same brands can be taken to market extremes such as rural communities. In India and China, Coca-cola pushed deeper to smaller rural communities with small bottles and low price.

G. Surrogate Brands

In some markets due to cultural or legal factors, it may not be possible to advertise certain products. The product can then be advertised using the same brand name as another. Coca-cola started by advertising sports gear as Coca-cola before introducing its beverage.

H. Be Visible

Visibility is a role model. Companies that create brand awareness always have more followers and loyalists. Brand awareness can be created even in remote areas through mobile advertising, banner ads or video vans. Colgate-Palmolive used vans with info-commercials in India showing how to brush teeth.

I. Communication of Branding

Effective branding should focus on four dimensions namely, the functional, social, spiritual and mental dimension, Grad (2001). The functional dimension focuses on the perception of benefits of the product associated with the brand. Customers do not buy a product because of its bundle of features but because of perceived benefits. These benefits should be clearly communicated to the customers. The social dimension involves brand's ability to be identified with a group. The brand should give a social value and satisfy the esteem of the users.

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A brand that reaches the 'touch points' of customers has a spiritual dimension. Religion has the power to bind people together and unify them under one common ideal. By understanding spirituality, values with true beliefs of customers are incorporated. This allows spread of happiness and building of long-lasting relationships with the customer. The mental dimension involves allowing the customers to freely express themselves what they want and feel about the brand. This then becomes a source of product improvement. To enhance this, companies should establish efficient feedback systems with the customers. These four dimensions help build a sustainable brand as the question, "What is there for me?" by customers is answered by at least one of these dimensions.

IX. Branding Models for Emerging Markets

Having discussed the importance of branding, the question now is 'how do we begin to brand?' What has been the branding success story of the emerging markets (Brazil, Russia, India, China, Malaysia, or Mexico)?

A. Traditional model

This model consists of developing products, branding promoting them for a strong domestic base and then exporting these brands along with the culture of the country. There is a paradigm shift in the international marketing maxim 'Think local, act global' First we should think global, and then act locally. To have a global vision is good and yet, most international success has its roots in domestic success. Attempting to go global before establishing a strong stand in the domestic market is like putting a cart before the horse. Therefore, firms must mature first in the domestic market before venturing into the highly competitive and sometimes politically motivated international environment. This is examplified by Emirate from UAE; Shanghai Steel Corporation from China, Altel from India and even McDonalds from the USA.

B. Transition Branding Model

The model consists of importing raw materials, processing them and turning them into copies of improvements of products originally developed in the traditional industrial markets, but not exporting the domestic culture together and with the goods. This is typified by Japanese and Korean firms. They do not export their culture. Products are adapted to the needs of each target market.

C. Emerging Market Model

There are three trends from the emerging markets. First, there are firms or countries that sell their natural resources in an unbranded state to more sophisticated processors (usually to western firms) without adding branding. This is typified by Russia and Brazil. Unbranded resources have no cultural link with the country of origin. This is an advantage where country of origin effect is negative and a disadvantage as it does not contribute to country branding. The other weaknesses of this approach are that it does not create customer loyalty, substitutes can readily replace it, likely to suffer from potential threats from competitors and above all, adds less value to the firm's or national economy.

Second, there are firms and countries that buy raw materials and turn them into branded products of industrial countries and companies with few attempts to add consumer value. China leads in this category. Branding strategy is to mimic already established brands. The strength of the already known brand is passed to this brand alike through stimulus generalisation. The advantage of the strategy is that there is less investment in branding. The major weakness is perhaps that due to limited value addition, there is no emotional touch with the customer and the social and functional dimension is also compromised.

Third, there are firms or countries that import raw materials, turn them into branded products which are increasingly sold domestically and globally. The products are modelled on existing industries in the world but an additional ingredient is added to differentiate the firm. The technology is not totally new and at the same time the brand is not a copy of what is existing elsewhere. This is typified by India. Only India and its companies are set to benefit from the activities of brands as it is the only market where the brand and the country can profit from adding brand value.

X. Conclusions

This paper has shown that branding in emerging markets may defy the normal formula as these are markets with a mixture of global, national and local brands. Findings from literature review show that there are various branding strategies and branding models that can be used specifically for these markets to create powerful product, company or country brands.

A. Lessons for Zimbabwe

Failure to recognise branding is a fast way to business oblivion. It is recommended that:

1. A country brand board to monitor quality and enforce the 'Made in Zimbabwe' tagline on all locally manufactured products could be set up. This will revive the emotions of national identity and pride among the local consumers and help build our country brand. According to Fetcherin (2010) Country Of Origin (COO) and Country Identity (CI) underpin country branding.
2. Zimbabwe is rich in natural resources most of which are exported unbranded. A hybrid branding model is suggested for Zimbabwe. This will involve blending the transition branding model, the Russian model and the Indian model. The natural resources will be exported (Russian model) only when there is value addition that is unique (Indian model) and to do that we need to go to the industrial markets (transition model) for technology and process acquisition. There should be a creation of form of brand alliance, (Keller 2003).
3. Zimbabwe also has a wide variety of 'soft resources' delivering value in other countries'. These include teachers, nurses, doctors, social workers and engineers. We suggest that just as they are required to register with professional bodies to work in host country, there should be a home/local board to which all professionals are registered which would promote their services as a unique Zimbabwean brand.
4. All local brands need to have a strong presence in the local market place. This can only be enhanced through quality, customer engagements and aggressive promotion. After a strong local market presence, then they can go international, even with the same names.
5. After starting locally, Zimbabwean brands can go East, North, and Middle East where there is a huge market. However, they should exercise high moral responsibility to live up to image of the region.

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