

Overcoming a little local difficulty

When global brand leaders face resistance from local marketers they need to address a lack of trust and interdependence between parties, says Helen Duce



Global brand leaders have one of the most difficult roles in brand marketing. Chief executives expect them to drive above-average growth through increasing global leverage. Yet, typical corporate structures provide them with no control over the local marketing teams that are expected to deliver the growth. No wonder that many global brand leaders can become too focused on the internal battle with local marketers, as they try to drive global strategic alignment across markets.

Over the past seven years we have worked with global brand leaders on improving the effectiveness of their global marketing machine. The project, Leading Global Brands, includes contributions from 120 global brands, 1,200 global brand leaders, and database of results from over 12,000 global marketers.

The new global brand leaders are typically quite comfortable developing the “*what*” of global marketing - insights, innovation and communication.

However, we have found that what keeps many global brand leaders awake at night is the challenge of global leverage, or the “*how*” of global marketing - working with local marketers on executing a single global brand strategy, enabling global marketing team alignment, improving speed to market and sharing brand expertise across geographies.

In looking at increasing global leverage, when global and local marketers discuss internal alignment around the brand’s mission and objectives, both are often right about what will drive success for the brand. The disagreements can be explained by the understandable and necessary differences in vantage points and time horizons.

However, even with the brand mission and brand strategy agreed upon, there is often a lack of alignment on what priority projects will best enable the brand objectives. A failure to co-ordinate resources and “secret” regional projects go hand in hand with insufficiently resourced global projects that strike at the heart of the brand’s

global competitiveness. The results often fail to measure up to expected standards of performance, value or production for global innovation and increased market research costs because global marketers find local marketing colleagues “checking” that the

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global mix will actually deliver in their territory. Even more importantly, this often leads to unproductive attitudes and actions that quickly spiral downward into a lack of willingness to focus sufficient local resources on global projects.

The critical underlying challenge to address is often a lack of real trust and interdependence between the local and global marketing teams. Local marketers often feel misunderstood and even disenfranchised by global marketers, who may be perceived as lacking understanding of the local market reality and have no profit and loss accountability for actually landing initiatives in real markets.

In dealing with this, the biggest pitfall that the companies studied struggle with is the failure to clarify roles and responsibilities early on. Many global brand organisations get stuck in a consensus-driven culture and lack the courage to properly allocate full decision-making responsibility. Defining the operating model and roles on key decisions is important, but enforcing the model and required behaviours is even more important. If behaviours inconsistent with the new operating model are tolerated, particularly among leaders,

this will cause significant delay and frustration.

Many global brands’ operating models have taken innovation and communication development responsibilities away from the countries and into global brand teams, allowing an increase in the focus on local market activation. This highlights the strategic importance of the local marketing activation role, driving new marketing excellence programmes to increase organisational capability in this area. Celebrating the successes of activation leaders will ensure that global-local transitions happen more smoothly and that key local marketing talent is retained.

Handled well, communication of this transition allows both global and local marketers to focus on their areas of strength and the contributions they can make to accelerating brand growth through global leverage. ●

Helen Duce is executive director of global marketing consultancy EffectiveBrands