

# Advertising Age

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## CMO STRATEGY

Edited by Jennifer Rooney, [jrooney@adage.com](mailto:jrooney@adage.com)

# WHAT IT TAKES TO REALLY WIN GLOBALLY

A global brand CEO looks beyond typical focus on insights, innovation and communication

By **MARC DE SWAAN ARONS**

IF THEY AREN'T already losing sleep over this question, global brand marketers have more than enough right to: How must we leverage our global brands?

Studying more than 50 global brands over the last five years, among them global superstars Starbucks and Unilever's Dove, it's clear that the winning leadership mindset is one that looks beyond typical focus on insights, innovation and communication. Those are a start, but focusing on them won't get you far enough in today's highly competitive global economy. Rather, the leaders I call true global brand CEOs forcefully build long-term global marketing capability by driving a single global strategy, forcing organizational alignment, improving speed-to-market and building brand expertise across geographies.

Easier said than done? Of course. Global marketers share a variety of similar hurdles when trying to solve the complex global-leverage equation, not the least of which is a lack of alignment around the brand's objectives. And even with one agreed-upon brand mission, organizations often differ on what the strategy and priorities should be and lack the necessary trust and communication between local and global marketing teams.

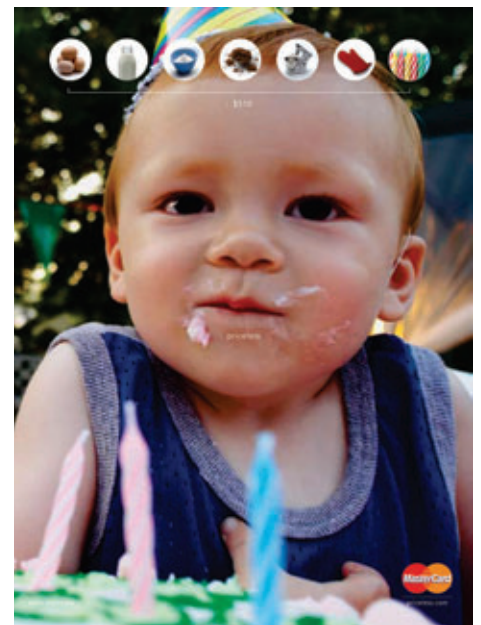
But effective global brand CEOs simply have to rise above these challenges by committing to a five-step process in which they connect, inspire, focus, organize and build.

To connect and build crucial interdependence between local and global teams (each of whom feel they know what's best for the

brand), local teams first need to be convinced that their market's success is what drives the global team's work. Global teams, meanwhile, must understand that looking for similarities rather than differences has become the local groups' prevailing mindset.

Consider these examples. The success of the "Priceless" campaign as a platform in the United States helped MasterCard Worldwide Chief Marketing Officer Lawrence Flanagan persuade other countries to adopt one single, consistent global positioning. "What started as an advertising strategy became a marketing platform and went on to become our global brand platform," Mr. Flanagan said.

When Starbucks' former VP-Marketing Karin Koonings first joined Starbucks' international team in 2004, she found that their local marketers around the world were unimpressed by global efforts, mostly because they were clueless about them. Ms. Koonings' first order of business was to connect personally with regional and local teams to listen and determine firsthand their challenges and opportunities. She then briefed her teams to better connect with international markets via regular personal visits, telephone calls and new "immersions" at corporate and in regional offices to offer interaction and strategic planning as often as possible. Then she took connecting disparate markets a step further by promoting a virtual exchange program among employee partners, allowing them to rotate between markets and headquarters. Such connection is crucially important given that Starbucks, which opened its first location



**SINGLE FOCUS:** The U.S. success of the "Priceless" campaign enabled MasterCard CMO Lawrence Flanagan to persuade other countries to adopt consistent positioning.

outside the United States in 1996, now operates in more than 40 countries.

Silvia Lagnado, former global brand VP for Dove, likewise faced massive challenges connecting to long-autonomous local marketing directors from each region when she became the global lead for Dove in 2001. Dove was Unilever's first brand ever to be assigned a dedicated global brand team. Amazingly, Ms. Lagnado united 600 Unilever marketers and their ad agency counterparts

behind the single, focused Campaign for Real Beauty strategy. How? With the creation of the Dove Board—a team of five marketers from each of the brand’s key regions—and by institutionalizing regular updates between global and local teams.

At Danone, having a strong network has been very important to creating unity. “We are publicly encouraged by top management to get together, create a network and talk to colleagues in other countries on issues we face, rather than relying solely on formal meetings,” said Oliver Faujour, general manager of Danone’s Asia Pacific Management Co. Danone also relies on its corporate “Who is Who” intranet as a networking facilitator.

After connecting, you must inspire and energize passion around the brand. Behind every successful global brand is the gem of a universal insight that attracts consumers and has the power to inspire all who work with the brand around the world. Over time, after many different marketers and consultants have made their mark, these “truths” often become lost or hidden, and it takes a serious peeling-of-the-onion exercise to get back to a simple formula that hits the universal sweet spot.

Successful leaders of global brands instinctively understand the importance of energizing passion for the brand internally and go out of their way to ensure it reaches all that matter to the brand’s growth. From the insight that only 2% of women in the world felt comfortable saying they were beautiful, Ms. Lagnado and her team derived the necessity of building women’s self-esteem. They developed a mission to forge a stronger emotional bond between Dove and women worldwide based on this insight and rallied Dove marketers around the globe with conferences, web casts, newsletters and personal presentations. Ms. Lagnado, rather than selling her vision of the brand, successfully imparted this new non-negotiable brand direction with genuine concern and understanding of local marketers’ needs, something we call “empowering leadership.”

After inspiring, of course, you must focus, setting global brand priorities that will win

big. Vigilant commitment to those priorities is crucial, because inconsistency can lead to lower quality, higher costs and—often—failure. For Dove, focus meant that Ms. Lagnado had to dramatically reduce innovation projects globally from 400 to fewer than 20 and consolidate five distinct regional business plans into a one-page global-strategy document. The “Dove One-Pager” (something of a legend at Unilever) defines what everyone working on Dove lives and breathes daily.

#### CONSOLIDATION IS KEY

For Starbucks, focus meant consolidating the multitude of regional initiatives into a single international promotion calendar developed by a global team in conjunction with regional support teams. This agenda is rolled out and implemented by local marketing teams across the globe, helping Starbucks fulfill its brand promise of exceptional customer service and fuel its explosive international growth.

Next is organizing, and one thing is certain: Consensus-driven cultures don’t work. A leader must not be afraid to enforce alignment and then give full decision-making responsibility to those accountable. Failing to specifically clarify roles and responsibilities early on is undoubtedly the biggest pitfall of companies we have studied. And, once clarified, enforcing adherence to that model is just as crucial.

Ms. Lagnado boldly cancelled ineffective 30-person global brand team meetings held quarterly for Dove in favor of an empowered Dove Board of seven, which was charged with oversight of the single global brand strategy, including assigning advertising development to regional brand leaders.

Starbucks brought all its regional marketing leaders together for a two-day summit and forced explicit agreement on who led and who followed for all key brand decisions.

Many other global brands today are shifting development of equity, innovation and communication strategies away from individual countries to global brand teams, providing for consistency, lower costs and

speed. But beware of the hit to local market talent’s motivation when they consequently lose some of the most enjoyable parts of their jobs. For example, Procter & Gamble lost a lot of great local talent when it first globally centralized marketing in the mid-1990s. To ensure a smooth transition, it is crucial to impart to employees the strategic importance of their refocused role and to celebrate their activation successes.

Now try to maintain all this for the long haul. Creating brand consistency, avoiding the reinvention of programs and accelerating the rollout of successful brand programs globally are all challenges global marketers face everywhere. Without these, besting local and retailer brands is next to impossible. Achieving these long-term goals takes global brand leadership that focuses ample time on educating anyone who touches the brand, harvesting learning from other countries.

For Starbucks, such education was created through the Starbucks Learning Series, which builds local marketing skills and creates an exchange platform. For Dove, it is the Dove Planet, a brand intranet site that addresses brand questions and shares relevant experiences.

Going global, as you well know, is no longer an option. Having leadership that knows how to leverage scale and how to increase local competitiveness is crucial. How can you afford not to?

#### MARC DE SWAAN ARONS ...



is chairman of EffectiveBrands, a global marketing consultancy that focuses specifically on the opportunities and challenges of global brand marketers. Clients include Coca-Cola and Mars.

