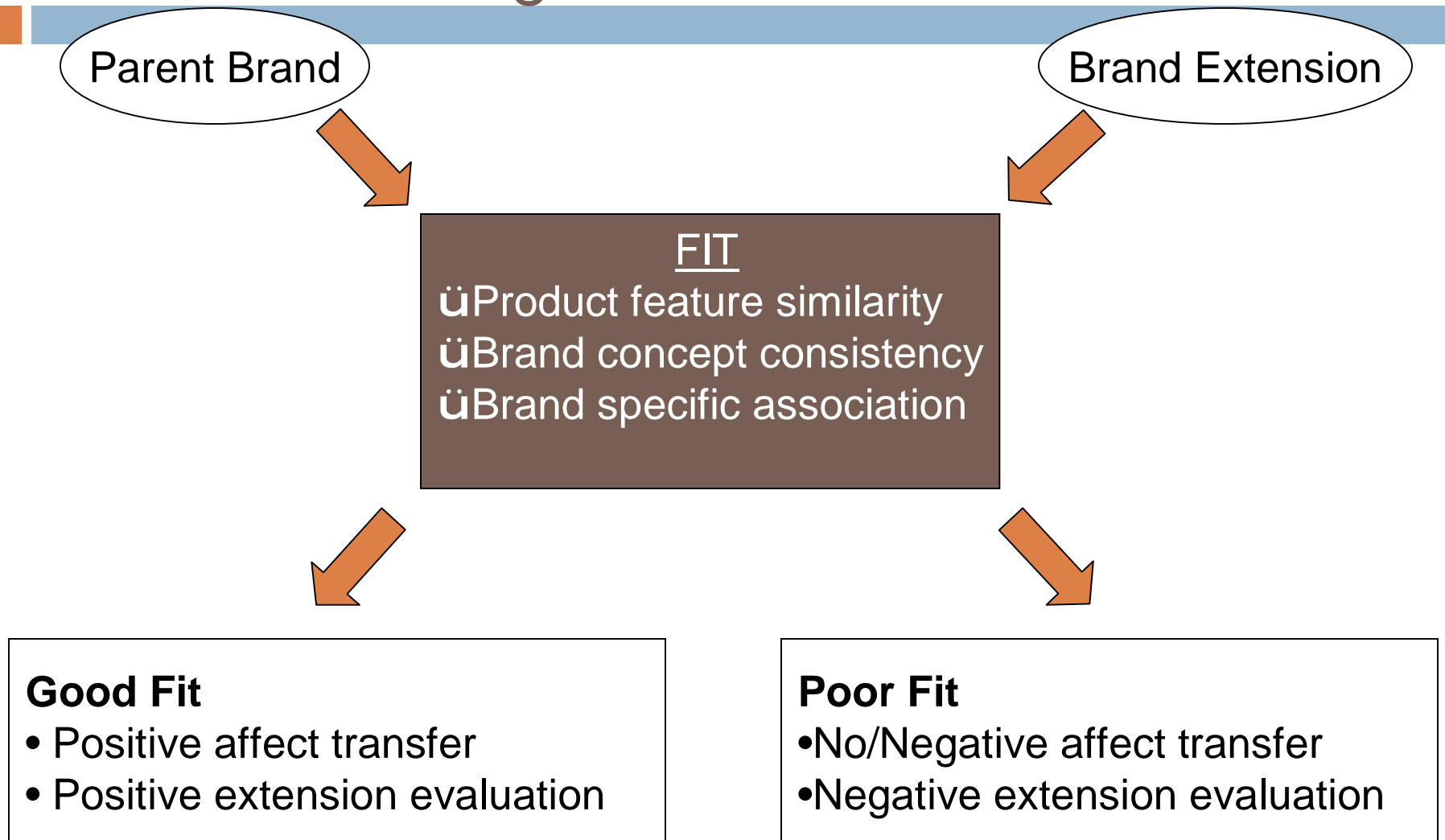


BRANDING BEYOND BORDERS

LITERATURE REVIEW

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Cultural Differences in Brand Extension Evaluation: The Influence of Analytic Versus Holistic Thinking



Cross-Cultural Differences: Analytic vs. Holistic Thinking

Analytic Thinking – Western cultures

- .. Detachment of the object from its context
- .. Focus on attributes of the object to assign it to categories
- .. Preference for using rules about categories to explain/predict the object's behavior

Holistic Thinking – Eastern cultures

- .. Orientation to the context or field as a whole
- .. Attention to relationships between the focal object and the field
- .. Preference for explaining and predicting events on the basis of relationships

The Growing Middle Class in Developing Countries and the Market for High-Value Food Products

Largest global opportunity for high-value food products is in developing countries

Within these markets, the emerging middle class is clearly the highest growth segment

Spending on more expensive foods and for high value added products is increasing at a greater rate than other categories

Emerging middle class definition was based on consumption rather than household income

Size of Emerging Middle Class in Key Countries, 2000

Country	% of population	Number of People (millions)
Brazil	35	59.7
Russian Federation	45	65.5
India	9	91.4
China	23	290.4

Source: calculation by Senauer and Goetz; 2000 Population: *World Bank, World Development Indicators*

Marketing Strategies of Western Consumer Goods Firms in Central and Eastern Europe

Common obstacles

- .. Poorly developed marketing infrastructure
- .. Low brand loyalty and high price sensitivity
- .. Intense price competition

Effective approaches for firms in the region

- .. Build market and operational presence slowly over time
- .. Transfer western strategies in a sensitive manner
- .. Develop regional management