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MARKET CONDITIONS' INFLUENCE ON GLOBAL OR LOCAL BRAND MANAGEMENT STRATEGY

From Danish companies' perspective in the American consumer goods market

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Executive Summary

Over the last decades, international marketing has become dynamic and the difficulty of adopting either a global or local strategy have become even more intensified in which international companies face challenges in deciding their strategies in the international market. While, the study of international marketing has been widely explored, only few have researched brand management across international markets.

This thesis attempts to bring light on how managers perceive the business environment and how their perception affects their brand management strategy. Specifically, the research will study Danish companies in the American consumer goods market with the aim of comparing Danish companies' perceptions of the market conditions of consumer tastes and preferences, economic environment and competition in the American and Danish market, and how these market conditions influence their global or local brand management strategy.

With empirical data from 22 companies including three experts enquired about brand management and market conditions in the two markets, it was revealed that the Danish companies perceive the American market to be different from the Danish market, and as many of these differences were indicators of local pressures, it was found that Danish companies were most likely to adopt a locally responsive brand management strategy in the American market to respond to these differences. Additionally, it was discovered that implementing a locally responsive brand management strategy in the American market was seemingly more successful than implementing a globally integrated brand management strategy.

Based on the findings, it is anticipated that this research will prove to be as an insightful starting point of reference for Danish companies in the American consumer goods market, and serve as a foundation for subsequent research about brand management strategy.

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1. Introduction

In a global economy subject to changing market dynamics and heightened competition, the role of brands has never been greater, and brand management has gone beyond the borders of a single country. Companies are making invaluable investments in their brands due to the realization that managing them well increases the value of these brands over time. Therefore, brand management has emerged as one of the top management's main concerns due to the fact that brands have become one of the most valuable intangible assets that companies own.

As international markets become closely linked, companies start paying more attention to the coherence of branding decisions across national markets and effective international brand strategy that transcends national boundaries (Caller, 1996). Nevertheless, for many years, marketing and brand managers and scholars have struggled with the issue of globalizing versus localizing strategies for international markets. International marketing has resulted to the predicament of adopting either a global or a local strategy and many marketing studies have been carried out in this area since Levitt wrote his article on the globalization of markets in 1983. Advantages of economies of scale and ability to attract common cross-national market segments with a global standardized marketing program strategy are attractive to many managers (Levitt, 1983). In contrast, localizing to local markets' needs because of significant differences in consumers, cultural and economic conditions with a local strategy have also been deemed valuable (Douglas & Wind, 1987).

Many marketing studies have been carried out in the area of international marketing and the challenges companies face in deciding whether to implement a global or local strategy, often with the concepts used as standardization or adaptation (Jain, 1989; Samiee & Roth, 1992; Aaker & Joachimsthaler, 1999). Although many scholars have written about general international marketing program, little has been written specifically about brand management. This is the main topic for this research. Our objective is to bring awareness to this topic and apply existing theory that has not yet been applied in international marketing strategy before. This thesis aspires to contribute to the academic field, by presenting greater insights into the topic and by serving as a foundation for future research. The thesis will be based on the perspective of different Danish companies in the American consumer goods market.

United States of America is known as the land of opportunities for many. It is also known as the world's largest economy and it is the largest consumer goods market in the world. USA offers enormous potential for all kinds of businesses wishing to expand or launch new brands. Danish companies have proven immensely successful on the majority of western markets; however USA has stood out as an exception. Many Danish companies have pursued different models to unlock the business potential of the largest market in the world, however only few can claim to be truly successful, while many others have struggled and eventually pulled out (Danish Industry, 2012).

As a result, this research aims to provide Danish companies with an increased understanding of international brand management strategy, especially in regards to the American consumer goods market. In this sense, the results should provide further documentation and hence equip managers with information concerning brand management strategy.

1.2. Problem Formulation

Consumer goods market has been growing fast in the last decades, and the American market has been one of the interesting and lucrative markets, where several Danish companies operate their businesses.

To examine the best approach of managing a brand management strategy across two or more markets, theory recommends that companies are aware and responsive to important similarities and differences across the markets. Identifying such similarities and differences are possible by examining market conditions. Various market conditions have been prescribed as important for determining when to customize or standardize marketing programs (Jain, 1989), and it has showed that the level of economic development, degree of cultural context and competition were some of the market conditions that related well to brand image management (Roth, 1992; Roth, 1995). In addition, when it comes to brand analysis, it is important for companies to understand the customers, the competitors and their own organization (Aaker & Joachimsthaler, 1999).

This study will further examine the market conditions of consumer tastes and preferences, economic environment and competition with the objective of establishing to which extent the three market conditions influence Danish companies to adopt a globally integrated or a locally responsive brand management strategy in respect of the American consumer goods market. As to guide the direction of the research process, the following research question has been developed with the supporting sub-research questions:

How do Danish companies in the consumer goods market perceive the market conditions of consumers' tastes and preferences, economic environment and competition in the American market in comparison to the Danish market, and how do these market conditions influence their global or local brand management strategy?

The sub research questions are:

- Do Danish companies perceive the American and Danish markets to be similar or different?
- To what extent do consumers' tastes and preferences, economic environment and competition influence brand management strategy?
- Which brand management strategy should Danish companies adopt in the American consumer goods market?
- Is the global brand management strategy more successful than the local one in regards to Danish companies establishing themselves in the American market?

1.3. Delimitations

In order to make the research as focused as possible, it was found necessary to delimit the scope. First of all, brand management strategy is a vast concept and involves other areas such as brand awareness, brand personality, brand equity and more. In this study, the concept has been delimited to the fundamental characteristics of brand identity, brand positioning and brand image.

The selected main scope of analysis focuses on the influence of market conditions to globally integrated (standardization) and locally responsive (customization) brand management strategy in the American market from the perspective of Danish companies. When deciding on which marketing and brand strategy to adopt in another country, there are a range of factors pulling to either global or local approach. Among the many factors, there are: market development, economic differences, culture, differences in customer perception, competition, technological levels, differences in physical conditions, legal/political environment, level of customer similarity, marketing infrastructure, economies of scale in R&D and many more (Jain 1989; Roth, 1992; Roth 1995; Vrontis, 2003; Katsikeas, Samiee, Theodosiou, 2006). Seeing our focus lies in which factors influence the brand management strategy, the market conditions have been delimited to focus only on consumer tastes and preferences, economic environment and competition as these are more relevant and applicable for brand management research.

The focus is further delimited to be based upon the external context; this means that we refrain from including internal organizational contextual factors of the companies that we interviewed. Therefore, factors such as organizational culture and values, organizational policy and organizational resources have not been studied, although we recognize that these factors have to some extent a role to play in brand management strategy. In addition to this, corporate branding has also been delimited as it deals with organizational vision and organizational values to a large extent (Hatch & Schulz, 2004). Therefore, when mentioning branding, we refer to product branding which is further expounded in the literature review section. Nevertheless, the distinction between product and corporate branding has been provided in the literature review.

In summary, these delimitations can be seen as possible avenues for future research.

2. The American Market

The size of the American market is attractive to many companies in the world. USA is an exciting market with more than 310 million consumers and a purchasing power that ranks among the top 5 in the world. The USA alone constitutes a market larger than Germany, UK, France, Italy, Sweden and Norway combined and it has a great level of diversity in consumer tastes and a range of income levels. Correspondingly, USA occupies 20% of the world economy, and it has also said that trends in global markets often start in USA (Confederation of Danish Industry, 2012). For the overview of the American market, this section will start with the economic conditions by examining the GDP, average income, consumer spending and so forth. Afterwards, the American population and society has been explored in terms of demographics and the American dream. Successively, the business environment has been provided, followed by a summary of the USA-Danish trading. Finally, the consumer goods industry, that is the focus of this thesis, has been examined to highlight the diverse sub-sectors that the Danish companies that have been used for the empirical data operate in.

2.1. Economic Conditions

USA's economy is the world's largest single national economy and one of the wealthiest nations, with abundant natural resources, a well-developed infrastructure, and high productivity. In 2012, USA' nominal GDP was estimated to be $15.7 trillion which is approximately a quarter of nominal global GDP (International Monetary Fund, 2013). The economy in the USA is currently dominated by high unemployment and slow growth which followed the financial crisis of 2007-2008. On April

2013, the unemployment rate was estimated to be at 7.5% of the total population (United States of Labor, 2013), which is above historic trends. The upturn of the economy is still progressing at a slower pace than anticipated by most economists (Ministry of Foreign Affairs of Denmark, 2013). Yet, the USA is still the largest single market in the world, despite the remarkable consumption growth in China and other developing countries.

According to International Monetary Fund, USA's per capita GDP is $50,700 which is the world's sixth highest per capita GDP. The GDP per capita is often considered an indicator of a country's standard of living, however is not an actual measure of standard of living (CIA, 2013). Accordingly, the Gini index that measures the inequality shows that USA held a higher number of income inequality compared to the European Union and Germany (CIA, 2013). USA has one of the widest rich-poor gaps of any high-income nation today. Alan Greenspan, a prominent economist, warned that widening rich-poor gap in the American population is a problem that could undermine and destabilize the country's economy and standard of living (Lewis, 2013).

USA's average consumer income has been increasing over the years. From 1930-1980, the average American income tripled. This meant higher living standards for the American population. It was reported in 1980 that the American standard of living was the highest among the industrial countries. By mid 1980s, 98% of all households had a telephone service, 77% a washing machine, 45% a freezer and 43% a dishwasher. By 1990s, the average American standard of living was regarded as amongst the highest in the world (International Monetary Fund, 2013). Currently, the average annual household net-adjusted disposable income for an American is approx. $38,001. Also in the USA, 67% of people aged 15-64 have a paid job, OECD also estimates that people in the US work 1787 hours a years (OECD, 2013).

Similarly, consumer lifestyle and spending in consumer goods market has continued to increase over the years but this was affected adversely by the financial crisis of 2008. Nevertheless, with around three quarters of total consumer expenditure dedicated to discretionary spending, the US consumer market will continue to be the land of opportunities for a diverse range of businesses (Euromonitor, 2013). Despite the effects of the crisis, real per capita consumer expenditure is estimated to grow at 1.5% in 2013 and according to Euromonitor, the USA will remain in the top position as the world's largest consumer market in 2020. On the other hand, a high level of income inequality, which is forecasted to rise in the period to 2020, will result to the middle class being squeezed. This means that, companies will face the greater challenge of successfully targeting high-income consumers whilst maintaining a share in the budget market in order to reap the benefits of being in the US market.

Even though there have been signs of recovery, the lingering effects of the economic downturn have prevented a large number of US consumers from rebuilding their families' current and future financial lives as quickly as they hoped to. According to Euromonitor, US consumers dedicated nearly 26% of their total expenditure in 2010 to non-discretionary items, essential goods such as food, non-alcoholic beverages and housing. This was down slightly from 26.3% in 2009. Notwithstanding concerns about shrinking income and income inequality, most US consumers are nevertheless keeping keen and watchful eyes on more immediate economic trends, that is, indicators that might signal the turn to full-blown economic recovery and put aside any thoughts of another recession (Euromonitor. 2013). This wariness is expected to be observed in consumer spending behaviour, where many Americans will continue to decide whether to make discretionary purchases or not. Overall, however, as the economic signposts continue to point toward recovery and away from another recession, consumers are expected to get back to spending, even if they will do so cautiously (Euromonitor, 2013).

2.2. Demographics

USA is the largest consumer market in the world with approximately 29% of the world's consumer market. It is also the third biggest country with a population of 316,668,567 which is only surpassed by China and India. The American population is very diverse and the country is known for being very multicultural with many various ethnic groups. According to the statistics, 16.3% is Hispanics or Latino, 12.6% is African-American, 4.8% is Asian-American, 0.9% is American Indian or Alaska Native, 59.2% is white Americans and 6.2% is others (CIA Factbook, 2013).

The biggest age group is 25-54 years which accounts for 40.6% of the population, followed by 0-24 years with 33.8%. The life expectancy for the total population is 78.49 years, with males being at 76.05 years and females at 81.05 years (CIA Factbook, 2012).

USA has no official national language, but English has acquired official status in 28 out of the 50 states. It is estimated that 82% of the population speak English, 11% Spanish and 7% other (CIA Factbook, 2000).

Like many other countries, the population is usually concentrated in big urban cities and towns. The major cities in USA are New York with a population of 19.3 million, followed by Los Angeles with 12.68 million, Chicago 9.13 million, Miami 5.69 million and Washington D.C. with 4.42 million (CIA Factbook, 2000).

2.3. The American Dream

A societal feature that has come to reflect on the USA's culture and lifestyle has been the so-called the American Dream. The American Dream is a national ideology of the United States of America in which freedom includes the opportunity for prosperity and success, and an upward social mobility achieved through hard work. The American dream has its roots in the United States' Declaration of Independence which states that *"all Men are created equal; that they are endowed by their Creator with certain unalienable Rights; that among these are life, Liberty and the Pursuit of Happiness*" (Ownby, 1999; Kamp, 2009). This statement was later popularized by the American author James Truslow Adams in his book "The Epic of America" in 1931. Adams wrote that the American dream is "*that dream of a land in which life should be better and richer and fuller for everyone, with opportunity for each according to ability or achievement[…] It is not a dream of motor cars and high wages merely, but a dream of social order in which each man and each woman shall be able to attain to the fullest stature of which they are innately capable, and be recognized by others for what they are, regardless of the fortuitous circumstances of birth or position*" (Ownby, 1999; Kamp 2009). Kamp (2009) noted that even though Adams was not necessarily speaking about material wealth, the term has often been interpreted to mean "making it big" or "striking it rich and it is also frequently deployed to denote extreme success of some kind or other. The Americans have come to live this dream in different ways since the beginning of the twentieth century and to some it is what contributes to making them American. Ashbee (2002) highlighted that the notion of the American dream is associated with theories of economic individualism which in essence means that self-reliance is encouraged and that one should provide for themselves and their families with less dependency on government provisions. However, through the passage of time, some people have come to look toward a new American Dream with less focus on financial gain and more emphasis on living a simple, fulfilling life (Ashbee, 2002; Kamp, 2009).

2.4. Business Environment

The USA is an important market and more companies are seriously considering how to enter the market in which USA remains an ultimate goal. However, a number of issues make most companies, both large and small ones, think twice before entering the market. Uncertainty is common regarding return on investment, how to reach potential customers, finding the right location and so on (Confederation of Danish Industry, 2012). The size and diversity of the market in itself may be an obstacle. The fierce competition with large well-established US competitors is also an obstacle, as many small companies may have problems being taken seriously by potential clients in the US, who are unsure of whether a smaller Danish company can comply with fierce requirements for quality, capacity and delivery (Ministry of Foreign Affairs of Denmark, 2013). According to a survey conducted by Confederation of Danish Industry (DI), the participating Danish companies all stated that it took about two years from the initial idea of establishment until they were up and running in the US. Furthermore, they state that companies should not rush into the US market, as it is extremely important to prepare thoroughly. Furthermore, it was emphasized that due to the size of the US market, it is not possible to reach everybody; therefore it is important to find one’s main focus. In this way, it is possible to concentrate the companies’ resources on one specific product than a whole range. So far, according to the DI survey, a niche strategy seems to work best for Danish companies operating in the US.

To ensure successful operation in the USA, brand management can serve as a valuable tool as brand, image and references are often accredited a certain value. It is less risky to introduce a product or service when it is already an established brand that is well-known to the consumers. However, European brands and references are often not recognized in the US, which limits the brand value. Therefore, focusing on brand building in the US, in addition to acquiring US references are key factors in the efforts towards a successful establishment on the US market (Confederation of Danish Industry, 2012). According to Reputation Institute that is the world’s leading reputation management consultancy, they found that 60-95% of revenue comes from foreign markets but exporting reputation and brand is very difficult. Also, the best 100 companies have a 5-22% weaker reputation in foreign markets compared to their home markets and the willingness to recommend a company is 6-41% lower in foreign markets compared to home market (Danish American Business Forum, 2012). Therefore, it can be expected that renowned Danish companies are likely to have a lower or non-existing reputation or brand in the USA indicating a need for marketing themselves from the beginning.

2.5. USA - Denmark Trading

For the past 50 years, the US has been a significant trading partner for Denmark, although the trade has been affected by currency fluctuations, geo-political events, financial crisis and development of the global economy and associated trading relations. The financial crisis led to a decrease in export and sat its footprint worldwide, but from the end of 2009 the import of Danish products started picking up, and in 2010, import was higher than prior to the crisis. In 2011, Denmark was ranked as the fifth largest export market by the US. Among major Danish exports to the United States are industrial machinery, chemical products, furniture, pharmaceuticals, canned ham and pork, windmills, and plastic toy blocks (Lego). The US is Denmark's largest non-European trade partner. The Danish import from the US is primarily made up of machinery and transportation equipment (Confederation of Danish Industry, 2012).

2.6. USA's Consumer Goods Market in recent times

The United States consumer goods market is the largest in the world and its estimated value was $432 billion in 2011. The consumer goods industry is made up of varied subsectors that include appliances, toys, furniture and home furnishings, recreational boats, recreational vehicles (RVs), motorcycles, games, gifts, greeting cards, school and office products, jewelry, sporting goods, musical instruments, and processed foods and beverages (Select USA, 2011). There are some Danish companies established in most of these subsectors.

One of the sectors is the Danish design furniture which is well known for being authentically Scandinavian and of high quality. Companies such as BoConcept, Verpan, Fredericia, PP Møbler, Republic of Fritz Hansen and so forth have managed to establish themselves in this market. The design furniture companies started exporting to the US market in the 1980s, when the local Danish market slowed down. But with the current crisis, many companies have been affected and, some furniture companies have decided to take immediate steps to adapt to the new market conditions (Euromonitor , 2010). Due to the crisis, the furniture industry was affected and the export sales to the American Market declined from DKK 558 million in 2008 to DKK 369 million in 2009.

Nonetheless, there is an indication of market recovery with the export sales to the American market increasing from DKK 467 million in 2011 to 594 million in 2012 (Association of Danish Furniture, 2012).

Another sector is the homeware sector which consists of dining, cookware and kitchenware. The retail value sale of homeware increased by 5% in 2011 and as the economy improves and consumer confidence grew, analysts point out that shoppers are once again willing to invest in new homeware products. The market is dominated by retail mass-market companies such as Newell Rubbermaid, Lifetime Brands Inc, Meyer Corp among others who account for 48.7% of the market, while "Others" account for 42% (Euromonitor, 2012). Even though the market is concentrated with mass-market brands, affluent consumers were willing to trade up and invest in higher-end products, which helped to drive value sales in 2011. With this growth, retail value sales finally returned to their pre-recessionary (2006) levels. According to Euromonitor, in general consumers were more willing than ever to invest in premium, high-quality cookware, and this drove up value sales of cookware. This trend was especially true amongst Millennials[1], and is becoming more important as the spending power of this generation grows. Despite the competitive nature of this market, Danish companies such as Bodum, Stelton, Jacob Jensen and others that fall in the "Others" category are established companies in the US market.

The jewelry sector in the US has been attractive for many years for Danish companies such as George Jensen, Julie Sandlau, Trollbeads, Pandora among others. In spite of the crisis, in the late 2012, the US jewelry value sales were US$ 57.5 billion in 2012, which was a growth of 6%. This represented encouraging growth for different brands and for some mid-priced brand, US sales grew faster than in key markets such as Germany and Asia Pacific. With most Western European markets still suffering from ailing economies, a recovery in consumer spending in the US has been met with an increased marketing focus from global accessories brands (Euromonitor, 2012). The key players in real jewelry include Zale Co, Tiffany & Co and Cartier International while in the costume jewelry category, key players include Claire's Stores Inc, Pandora and Banana Republic Inc (Euromonitor, 2012). Similarly, the value sale of watches grew by 4% in 2012 to reach US$7.2

[1] Millenials also known as Generation Y, are consumers born between 1982 and 2004 according to William Strauss and Neil Howe who wrote Millennials Rising: The Next Great Generation.

billion. The market leader is Fossil with its leading brand “Fossil” followed by “Tag Heuer” by Tag Heuer International. Skagen is the only Danish-style watch brand in the US market (Euromonitor, 2012).

The global retail sale of toys was $80.280 billion in 2009 while the US retail sale of traditional toys was US$21.78 billion in the same year. In 2010, the US consumption of toys was approximately $US22.2 billion with the strongest growth being in the category of dolls, building sites and outdoor and sports toys. Even though the consumption has been increasing a large percentage comes from imported toys with toys from China accounting for 85% of the US consumption in 2010. (Toy Industry Association, 2013). Even though Mattel Inc and Hasbro Inc are leading in this category in the US market, one world renown Danish company is LEGO whose market share in the US market has increased from 1.6 in 2008 to 3.6 in 2011 and has also been introducing new product brand (Euromonitor, 2012; Neville, 2013).

Chocolate confectionery is composed both of premium and mass-market chocolate. In the US, sales reached US$19.3 billion in 2012 and this growth is largely from increasing consumer demand for premium products as well as the higher prices introduced by many of the leading manufacturers. According to Euromonitor, sales are expected to grow by 9% over the forecast period to approach sales of US$21 billion by 2017 (Euromonitor, 2012). The market growth seems to stem from ongoing innovation from manufacturers by focusing on flavor, texture, packaging and size which are aimed at meeting changing consumer demands. The chocolate confectionery in the US is dominated by two companies that account for nearly 70%. Danish brands such as Antony Berg compose the Private Label sector which accounts for only 0.79%, which is a negligible change from 0.78% in 2011. (Euromonitor, 2012).

In general, the 2012 sales at sports goods stores grew by 4% mainly due to the ongoing health and fitness trend among consumers of all ages. According to Euromonitor, both sports apparel and equipment contributed to this growth, with many Americans outfitting themselves for various activities ranging from walking or running, to organized sports for youth or outdoor activities (Euromonitor, 2012). Moreover, footwear grew by 3% in 2011 to US$45.8 billion and 1.7 billion pairs. Of this, US$ 27 billion was from non-sports footwear. This growth was also contributed by sub-brands of sports apparel companies with more upscale casual “lifestyle” made with materials such as leather. The American market is populated with brands such as Nike, Adidas, Skechers and

New Balance with Nike and Adidas accounting for a total 32% of the market in 2012. In 2012, private label and other companies accounted for 35.3% of the market (Euromonitor, 2012). Hummel and ECCO are renowned Danish companies that are in the US market.

The dairy products are composed of processed milk products and cheese categories. While the processed milk category value sales in 2012 were US$17.1 billion, which was an 8% decline from 2011, the cheese category value sales in the same were US$ 19.1 billion which was a 2% increase. The processed milk sector is fragmented with "Others" accounting for 48.19% of the market and the market leader, Dean Food Co holding 15.82% of the market (Euromonitor, 2012). On the other hand, the market is dominated with domestic companies with the top five being Kraft Foods, Kroger Co, Sargento Foods, Safeway and Land O'Lakes Inc, who held a combined 47% in 2012. With the market being largely concentrated with domestic companies, it is very competitive. Nonetheless, Danish company Arla Foods USA accounted for 2.36% in 2012, which was an increase from 2.17% in 2011. (Euromonitor, 2012)

2.7. Subconclusion

The American market is an important and interesting market for many companies. With 310 million consumers and a market larger than Germany, France, UK, Italy, Sweden and Norway combined; its potential cannot be underestimated. The economic conditions in the American market have been affected by the financial crisis of 2008 increasing the unemployment rates, lowering average incomes and decreasing in consumer spending. Nevertheless it is still one of the largest markets in the world. The American population is composed of many multicultural ethnic groups that include 59.2% white Americans, 16.3% Hispanics or Latinos, 12.6% African-American, 4.8% Asian-American, 0.9% American Indian or Alaska Native and 6.2% others (CIA Factbook, 2013). Typically, huge populations live in large cities such as New York; whose population contains more than 19.3 million people and many people speak English, even though there is no official national language. The American market is also famously known for embracing the American dream that has shaped their culture and lifestyle. From many perspectives, the American market is very attractive; however it is a very diverse and competitive market with many requirements that must be met. Danish companies have stated that it takes about two years from initial idea of establishment to actual running of the business in the USA. Furthermore, Danish Industry found out that due to the size of the USA market, it was not possible to reach everyone and that brand building and reputation was important. Nevertheless, there are several both big and small Danish companies in the American market and trading going on between the two countries for a long time now. While USA is the largest non-European market for Denmark, Denmark is the fifth largest export market for the USA (Confederation of Danish Industry, 2012). Furthermore, the USA consumer goods market is the largest in the world with an estimated value of $432 billion in 2011. The consumer goods industry is vibrant and is made up of many subsectors that include appliances, toys, furniture and home furnishings, jewelry, sporting goods, musical instruments, and processed foods and beverages among others, and Denmark have businesses in a number of these sub-sectors.

3. Literature Review

Companies spend millions planning and implementing brand activities. New research is published and frameworks are developed continuously in an attempt to find the holy grail of brand management. Since the mid-80s, researchers and practitioners similarly have explored the domain, scope and potential of the brand. Many different concepts, theoretical frameworks and ideas have seen the light of day and a wide spectrum of different perspectives on how a brand ought to be conceptualized and managed is in play today (Heding, Knudtzen, & Bjerre, 2009). In order to obtain an overview of the field of branding, a review of different brand definitions has been conducted. Afterwards, the difference between product and corporate branding has been explored, and brand management strategy has been examined by looking closely at three branding concepts: brand identity, brand positioning and brand image. As follows, the global and local branding has been examined for the important literatures for this topic. Finally, the criticism of the concept branding has been investigated to confirm or disconfirm the relevance of branding.

3.1. Defining a Brand

The concept of the brand is not a phenomenon that transpired in the modern times. In fact, it can be traced back many centuries ago. In the ancient world, it was used to distinguish goods of one producer from the other. For example pottery makers would mark their clay jugs to indicate origin (Hieronimus, 2003). In 1960, brand was defined as a name, term, symbol or design or a combination thereof that aims to define the seller's products and services in order to differentiate it from the competitors (American Marketing Association, 1960). This definition is considered to be outdated because of its limitation of brands as simple tools of differentiation and equalization of brands with any kind of sign, symbol, name or similar (Keller, 2008; De Chernatony, 1998). Also, the definition means whenever a marketer creates a new logo, symbol or design for a new product, a brand is created. This is not entirely accurate. Therefore, many marketers contradict themselves with this definition by stating that a brand is more than just a sign or symbol in which is something that has actually created amount of awareness, reputation, prominence and so on" (Keller, 2008). As a result, Keller (2008) defines the brand as "[…] more than a product, because it can have dimensions that differentiate it in some way from other products designed to satisfy the same need. What distinguishes a brand from its unbranded commodity counterpart and gives it equity is the sum of consumers' perceptions and feelings about the products' attributes and how they perform about the brand name and what it stands for, and about the company associated with the brand". Paul Southgate (1994) agrees and states: "a brand is not only a name, logo or graphic device. It is also a set of intangible values in the mind of the consumers. Therefore, a strong brand is alive, rich, complex and enormously powerful".

Kapferer (2004) adds that a brand can be defined as the total accumulation of all his/her experiences from the customer point of view, which is built at all points of contact with the customer (Kapferer, 2004). Moreover, a brand signals to the customer the source of the product and protects both the customer and the producer from competitors who would attempt to provide products that appear to be identical (Aaker, 1996). Companies invest so much in building exceptional brands because in the long run, they become profitable and worthwhile investment. Ghodeswar (2008) noted that powerful brands provide long-term security and growth, higher sustainable profits and increased asset value because they achieve competitive differentiation, premium prices, higher sales volumes, economies of scale and reduced costs and greater security of demand (Ghodeswar, 2008).

3.2. Product and Corporate Branding

Brands have changed over the years. The general notion of the classic brand management system has been that each individual product must have an individual and distinct product brand (Heding, Knudtzen, & Bjerre, 2009). As product lifecycles shortened, investment in product brands lost support and it became harder to recover the costs of creating and promoting multiple brands. This trend moved from branding the product to company as companies realized competitive advantages in branding all their goods under a single name by gaining global recognition and being able to reduce costs savings by promoting all their offerings under one corporate brand (Hatch & Schultz, 2009). Though, marketing a product brand still holds several advantages, such as the liberty to market different segments, the ability to close unsuccessful brands without harming the mother corporation (Heding, Knudtzen, & Bjerre, 2009).

The difference between product and corporate branding is sometimes not clear. Product and corporate brands share some similarities, but assumptions about product branding can sometimes leave the wrong impression of what corporate branding entails. According to Balmer (2001), there are certain differences between product brands and corporate brands (View table 1).

	Product brands	Corporate brand
Focus attention on	The product	The company
Managed by [a]	Middle manager	CEO
Attract attention and gain support of	Customers	Multiple stakeholders
Delivered by	Marketing	Whole company
Communications mix [a]	Marketing communications	Total corporate communication
Time horizon	Short (life of product)	Long (life of company)

Table 3: Product and corporate branding (Balmer, 2001)

The first and main difference between the two branding effort is the focus shift from the product to corporation. Balmer (2001) states that the product and corporate branding is different in managerial responsibility, wherein the product brands are managed by middle marketing managers and corporate brands are based in the executive office. Furthermore, the difference between the two branding efforts is emphasized by whom the brand relates to in terms of attraction and support (Balmer, 2001). While product brands primarily target consumers through a variety of individual products and services with distinct product brand names, corporate brands furthermore contribute to the images formed and held by the organizational and community members, investors, partners, suppliers and other interested parties as all company stakeholders (Hatch & Schultz, 2001). The corporate branding requires organization-wide support from top to bottom and across functional units in order to realize the corporate brand, along with the audiences that the brand is meant to attract and engage, whereas product branding is managed within the marketing department of a company (Hatch & Schultz, 2009). The time horizon between product brands and corporate brands also differs. Products brands live in the present and are short term in their ambitions to attract potential customers and help deliver sales. By contrast, the corporate brands have a broader time horizon seeing they live both in the past and the future for corporate brands stimulate association with heritage and strategic visions of what is to come (Hatch & Schultz, 2001).

Examining the main two types of branding, product branding differs from corporate branding in both scope and span. Corporate branding's advantages lies in branding all the goods under a single name by gaining global recognition and save costs by promoting under one corporate brand, while marketing a product brand still holds several advantages, such as the liberty to market different segments and the ability to close unsuccessful brands without harming the mother corporation. However, product brands can be higher in costs due to maintenance of several brands and shortened product lifecycles (Heding, Knudtzen, & Bjerre, 2009). In this thesis, when speaking of the general concept of branding, it is referred to product branding and not corporate branding. It was found important to distinguish these two branding efforts as one can leave the wrong impression of what exactly product branding entails.

3.3. Brand Management

Brand management is a process of defining the brand, positioning the brand and delivering the brand. The concept is built on a marketing foundation, but focuses directly on the brand and how that brand can remain favorable to customers. Proper brand management can result in higher sales of not only one product, but on other products associated with that brand (Heding, Knudtzen, & Bjerre, 2009). Some of the pioneering branding experts in the field are David Aaker and Erich Joachimsthaler, who emphasize: *"Developing a brand management strategy includes a motivating brand identity, as well as a position that differentiates and resonates with the consumers"* (Aaker & Joachimsthaler, 2000). In addition, Aaker and Joachimsthaler stress that the perceived brand images which consumers have about different brands is an important value proposition for brand management strategy. Therefore, when speaking of brand management strategy, there are three general concepts of branding – brand identity, brand positioning and brand image which form the foundation of brand management strategy. As a result, these three concepts have been explored below.

3.3.1. Brand Identity

Brand identity is a unique set of brand attributes or associations that signify a promise to customers (Hatch & Schultz, 2009). It represents an organization's intention or aspiration of how it wants its brand to be perceived in the marketplace. Brand identity is the distinctive or central idea of a brand and how the brand communicates this idea to its stakeholders (Hatch & Schultz, 2009). According to Aaker & Joachimsthaler, "when realized, the brand identity should help establish a relationship between the brand and the customer by generating a value proposition potentially involving functional, emotional, or self-expressive benefits or by providing credibility for endorsed brands" (Aaker & Joachimsthaler, 2000). For understanding brand identity in depth, Aaker & Joachimsthaler created a brand identity structure consisting of a brand essence, core identity and extended identity (See figure 1). Aaker & Joachimsthaler explain that the brand essence is the heart and soul of a product or a service which can also be viewed as the glue that holds the core identity elements together or as the hub of a wheel linked to all the core identity elements" (Aaker & Joachimsthaler, 2000). Furthermore, the brand essence, which is the heart and soul of a brand, should stay the same with the passage of time, in order for the brand not to become compromised (Heding, Knudtzen, & Bjerre, 2009). As an example, the corporation of Virgin brand's essence is iconoclasm.

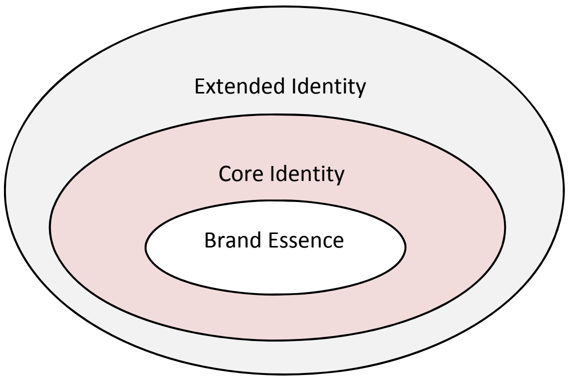


Figure 1: Brand Identity

Source: Aaker & Joachimsthaler (2000)

Moreover, the core identity is the central timeless spirit of the brand that remains constant as the brand moves to new markets and new products. Core identity focuses on product attributes, service, user profile, store ambience and store performance. The core identity creates a focus both for the customer and the organizations (Aaker & Joachimsthaler, 2000). Again as an example from the Virgin brand's point of view, their core identity values include service quality, innovation, fun and value for money.

The extended identity includes all of the brand identity elements that are not in the core (Aaker & Joachimsthaler, 2000). According to Aaker and Joachimsthaler (2000), extended brand identity provides texture and completeness to the core identity and includes elements such as brand personality, symbols and customer/brand relationships. Brand personality is frequently utilized and has been defined as set of human characteristics associated with a brand, which a consumer can relate to. Aaker and Joachimsthaler (2000) stated that brand personality makes it possible to assign human like constructs which can help suggest brand-customer relationships as being friends, party companion or advisor and make the relationship development between the brand and customers to become stronger and even more motivating. As an example, Virgin's extended identities are sense of humor, being an underdog and rule breaker.

Aaker et al. (2000) pointed out that a brand identity needs to resonate with customers, differentiate the brand from competitors and represent what the organization can and will do over time in order to be effective. They also noted that having a single brand identity that works across products and markets is extremely desirable, as the communication task will be easier, less costly and more likely to be effective and solidly linked to the organizational culture and business strategy. Nevertheless, in some cases a single identity cannot fit in different markets. In this kind of a situation, the same identity may be used with emphasis on different elements, or interpreted differently in different contexts. Similarly, there can be cases where even the core identity across markets would need to be changed (Aaker & Joachimsthaler, 2000). Creating a strong brand identity that is well understood by the customers and stands out from the competition should be the objective of all organizations. Therefore, an organization needs to create and establish a clear and consistent brand identity by linking the brand attributes and communicating this clearly to ensure a solid and consistent connection with the customers (Ghodeswar, 2008)

3.3.2. Brand Positioning

Positioning relates to creating the perception of a brand in the customer's mind with the aim of achieving differentiation so that the brand stands apart from the competitors' brands and offerings and meets the consumers' needs and expectations (Ghodeswar, 2008). According to Keller et al. (2002), brand positioning involves establishing key brand associations in the minds of the consumers and other important constituents to differentiate the brand and establish competitive superiority. Therefore, "a good positioning is about anchoring a brand to a category so that a consumer has a reference point and that the brand should have the characterizing factors to be a valid part of that category" (de Chernatony, 2006). A clear positioning in the customer's mind is one of the important objectives of marketing which aims at a clear image in the customer's mind of what the product in question can offer. Aaker (1996) explains that a brand position is part of the brand identity and value proposition that is actively communicated to the target consumers and that demonstrates an advantage over competing brands (Aaker, 1996). Successful brands usually represent a point of view which is reinforced through brand positioning that ensures their target customers can instantly associate the brand with a particular functional benefit and also that it is essential that the brand positioning should focus on those functional benefits valued by customers, rather than those valued by managers (de Chernatony, 2006). Brand positioning has been considered extensively along marketing communications. Ries and Trout (2000) explain that while positioning begins with a product, the concept is really about positioning that product in the mind of the customer. This approach is needed because consumers are bombarded with continuous stream of advertising, and consumers cope with information overload by oversimplifying and are likely to shut out anything inconsistent with their knowledge and experience. Heding et al. (2009) support Ries and Trout's viewpoints by clarifying that due to excessive communication and flooded messages in the markets, the purpose of marketing would be to present bluntly the benefits of the product with as little poetry as possible because positioning is not what is done to a brand, but rather what results in the customer's mind (Heding, Knudtzen, & Bjerre, 2009; de Chernatony, 2006).

Furthermore, Keller et al. (2002) stated that competitive brand positioning was based on a brand establishing its frame of reference, points of parity and points of difference (Keller, Sternthal, & Tybout, 2002). Determining a frame of reference signals to consumers the goal or the need they can expect to be satisfied by using the specific brand. Choosing a proper frame of reference is important because it defines the points of parity and points of difference. For instance, Coca-Cola's frame of reference is the soft drinks category where it competes with Pepsi-Cola. At the same time, the frame of reference may include disparate categories such as sports drink and iced tea categories that signal to consumers, thirst-quenching drinks. Points of parity are associations that may be shared with other brands and they also provide credibility and legitimacy of the brand within its frame of reference. For example, consumers would consider a bank to be truly a bank if it offers checking and savings plans, provides safety deposit boxes, has automated teller machine (ATMs) and other features (Keller et al., 2002; Keller, 1998). Points of difference associations are unique to the brand and as Keller et al. noted, "*Strong, favorable unique associations that distinguish a brand from others in the same frame of reference are fundamental to successful brand positioning.*" For instance, while Visa and American Express are both market credit cards, Visa's point of difference is that it is the most convenient card, that is, it can be used in many places (Keller, Sternthal, &

Tybout, 2002; Keller, 1998). Selecting an appropriate positioning strategy is crucial because a well-positioned brand has a competitively attractive position supported by strong associations that the brand wishes to be associated with (Aaker, 1996). Organizations realise that they can build a strong identity for their brands by strategically positioning these brands in the minds of the target consumers. According to Ries and Trout (2000), the easiest way of getting into someone's mind is to be first as it is easier to remember who is first than who is second. Even if the second entrant offers a better product, the first mover has a large advantage that can make up for other shortcomings. The advantages of being the first is that you can claim a unique position in the mind of the consumer and a firm can effectively cut through the noise level of other products. Furthermore, it is suggested that consumers rank brands in their minds. If a brand is not number one, then to be successful it must somehow relate itself to the number one brand. A campaign that ignores the market leader is likely to fail. The car rental company "Avis" tried unsuccessfully for years to win customers ignoring the number one Hertz's existance. Then, they began using the line "Avis is only no. 2 in rent-a-cars, so why go with us? We try harder". They quickly became profitable after launching the campaign. In this way, consumers were finally able to relate Avis to Hertz, which was number one in their minds (Ries and Trout, 2001). Ries and Trout explain that it is nearly impossible to displace the leader when there is a clear market leader in the mind of the consumer. However, a firm can find a way to position itself in relation to the market leader so that it can increase its market share (Ries and Trout, 2000). At the same time, Ries and Trout emphasize that it is most likely a mistake to build a brand by trying to appeal to everyone. Too many brands have already claimed a position and have become entrenched leaders in their positions. A product that seeks to be everything to everyone will end up being nothing to everyone (Ries & Trout, 2000).

When positioning the brand, there are five main complications that need to be considered according to Keller et al. (2002): 1) when companies try to build brand awareness before establishing a clear brand position. 2) When companies often promote attributes that consumers do not care about. 3) Companies sometimes invest too heavily in points of difference that can be easily copied. 4) Certain companies become so determined on responding to competition that they walk away from their established positions. 5) Companies may think they can reposition a brand, but this is nearly always difficult and sometimes impossible (Keller, Sternthal, & Tybout, 2002). In order to avoid these pitfalls, Keller et al. (2002) advise companies to know what their brand is about before convincing the consumers and explore the consumers' demand for which attributes that appeal to them than promoting attributes that may not. In addition, investment in points of differences should be aimed at keeping the competitors out and not draw them in. A brand that claims to be the cheapest or fashionable is likely to be left behind. Also, when repositioning the brand, caution should be taken as walking away from the established position may not succeed in attracting abundant customers to the repositioned brand, thereby may diminish their market share even further. Keller et al. (2002) emphasizes that every attempt to reposition a brand has to be considered carefully before altering it as it is necessary to find a modern way to convey the position (Keller, Sternthal, & Tybout, 2002).

3.3.3. Brand Image

"A brand image can be defined as perceptions about a brand as reflected by the brand associations held in consumer memory" (Keller, 1998). According to Keller, by creating a brand image, a company manages to establish the brand meaning. Brand image represents what the brand is characterized by and stands for in the minds of consumers. A well-communicated brand image enables consumers to identify the needs satisfied by a brand (Roth, 1992; Keller, 1998). Kotler explains that brand image is the way the public perceives the company or its product and is affected by many factors that a company cannot control. Furthermore, the product's character and value proposition is established by an effective brand image, which should portray the distinctivness of the brand and deliver emotional power beyond a mental image (Kotler, 2000). According to Kamperer, since brand image is on the receiver's side, image research focuses on the way in which certain groups perceive a brand because the image referes to the way in which these groups decode signals emanating the products, services and communication covered by the brand (Kapferer, 2004).

Park, Jaworski & MacInnis (1986) proposed a useful model of brand image strategies suggesting that managers should base their brand images on one of these three particular consumer needs: Functional, social or sensory needs. Functional needs motivate customers to search for products that solve consumption-related problem (Park, Jaworski, & McInnis, 1986). Keller added that a brand's benefits would often be linked to basic motivations such as a desire to remove or avoid a problem. For example, a shampoo can be made with the functional benefits of eliminating dandruff and removing greasiness (Keller, 1998). While brands with social needs fulfill internally generated needs for self-enhancement, role position, group membership or ego-identification. Therefore, consumers may value prestige, exclusivity or fashionability of a brand because of how it relates to their self-concepts. For example a shampoo that assures users that they are using a product only used by "beautiful people" who appreciate "the good things in life" (Keller, 1998). Brands with sensory benefits are meant to satisfy sensory needs and are designed to associate the individual consumer with a desired group, role or self-image (Park, Jaworski, & MacInnis, 1986). Keller also noted that brands with sensory benefits satisfy sensory needs such as sensory pleasure (sight, taste, sounds, smell or feel), variety and cognitive stimulation. For example, a shampoo may have sensory benefits that involve its scent, lather, the feeling of beauty and cleanliness when applying or using the product (Keller, 1998). Additionally, Roth (1992) found that firms emphasizing fewer needs tend to outperform those incorporating multiple needs. He also explains that his findings indicate that managers feel it is necessary and advantageous to diversify brand image across two or more consumer needs (Roth, 1992).

Alternatively, Keller (2001) claims that brand image is part of brand meaning creation. As a result, he explains that brand meaning is made up of functional performance related considerations (brand performance) and abstract, imagery-related considerations (brand imagery). Under brand performance ''The product itself is at the heart of brand equity, as it is the primary influence of what consumers experience with a brand, what they hear about a brand from others, and what the form can tell customers about the brand in their communication'' (Keller, 2001). Keller added that important product-related attributes such as product reliability, durability and serviceability, style and design and price constituted important considerations for brand performance. Moreover, 'brand imagery deals with the extrinsic properties of the product or service, including the ways in which the brand attempts to meet customers' psychological or social needs'. Some of the non-product attributes that can be linked to the brand include type of person who uses the brand, personality and values, history, heritage and experiences (Keller, 2001). Consequently, a number of associations are identified by the consumer to relate to performance and imagery of certain brands. It is these brand associations held in the consumer's memory that reflect brand image. Hence, strong brands must strive to build strong, favorable and unique brand associations with their customers in order to establish a reliable brand image (Keller, 2001).

3.4. Global and Local Branding

As globalization evolve, and international markets become more closely interlinked, companies are paying more attention to the coherence of branding decisions across national markets and build an effective international brand strategy that transcends national boundaries (Caller, 1996). Globalization has created new opportunities such as the growth of global consumer segments resulting to global brands (Dawar & Parker, 1994). The noted characteristics of global brands include multi-country or worldwide distribution, a high degree of standardization regarding positioning strategy, branding and marketing mix (Aaker & Joachimsthaler, 1999). On the other hand, local branding is characterized by its existence in one country or in a limited geographical area (Wolfe, 1991). Local brands may belong to a local, international or global company. Opposite the global brands, local brands have a high degree of customization regarding positioning strategy, branding and marketing mix (Aaker & Joachimsthaler, 2000).

Global and local branding reflects the decision that brand and marketing managers have to make in response to either customizing or standardizing their marketing and branding efforts as they go to international markets. Similarly, it is based on global consumer culture positioning or local consumer culture positioning according to Alden et al. (1999). The global consumer culture positioning associates a brand as a symbol of a given global culture, which means that the branding can feature the notion that consumers all over the world consume it or use it, therefore creating a feeling of being one with the specific global culture in question. In this positioning, companies use a globally common language, global aesthetic styles (as a global spokesperson that is well-known in multiple countries such as a movie star or famous athlete) and story themes (such as membership in a global culture) to reach the target consumer segments in different markets (Alden et al., 1999). On the other hand, the local consumer culture positioning is a strategy that associates the brand with local cultural meanings, reflects the local culture's norms and identities, is portrayed as consumed by local people in the national culture, and/or is depicted as locally produced for local people (Alden et al., 1999). Therefore, the local consumer culture positioning can respond better to local needs as it is designed to respond to the local market's specific needs. Also, the local brand products have more flexibility than global brands, as they can be developed to provide answers to local consumers' particular needs. For instance, local branding may not only provide a unique product, but also selects its positioning and generate an advertising campaign that reflects local insights. In contrast, a global brand must satisfy the largest number of consumers across markets, and thus they often represent the largest common denominator from both the product's and marketing's perspectives (Schuiling & Kapferer, 2004). Both global and local consumer cultures use meaning transfer (McCracken, 1993), which is an advertising process through which a brand is associated with other signs that reflect the cultural orientation embodied in the two respective cultures (Alden, Steenkamp, & Batra, 1999).

The key advantages of global branding are many in terms of benefiting from strong economies of scale, message consistency and being able to attract common cross-national market segments through the use of global and standardized marketing programs, generation of significant cost reductions in all areas of the business system including R&D, manufacturing and logistics. Shifting to a single global brand name provides substantial savings in packaging and communication costs (Bartlett & Sumantra, 1986; Buzzell, 1968; Craig & Douglas, 2000; Levitt, 1983; Porter, 1986). Schuiling and Kapferer (2004) point out that the speed to launch new marketing product initiatives for a global brand takes roughly 12 to 18 months. However, it takes much more time when the brand strategies are not globalized. Additionally, global branding can be beneficial in bridging organizational relationships within the company, through the transfer of best practices in brand management such as exchanging valuable brand knowledge that is coordinated through brand management teams at the headquarters (Johannson & Ronkainen 2004). Although these advantages of adopting global branding to different customers regardless of national differences may be attractive, global branding has some limitations and drawbacks. Firstly, economies of scale may be elusive as cultural differences may make it difficult to create a global campaign in different markets. Secondly, forming a successful and creative global brand management team could prove to be difficult as the team would need to gather large amount of information from different markets and it is challenging developing and executing a worldwide brand strategy. Thirdly, the brand image of global brands and market positioning may not be the same in all markets. For example, Honda cars are combined with quality and reliability in the USA, while in Japan they stand for speed, youth and energy (Aaker & Joachimsthaler, 1999).

In regards to drawbacks of global branding, sometimes it would actually be less costly and more effective for companies to adopt local branding by creating advertisements locally than to import and adapt them in each different market (Aaker & Joachim, 1999). Also, the pricing strategy for local brands can be more flexible in which the company can take advantage of a brand's strength in specific local markets seeing there are no risk of parallel imports because the brand is not linked to a regional pricing strategy. In this way, the flexibility can lead to increased profits due to having prices fixed at higher levels. In contrast, the global brands must remain within a particular pricing corridor, because comparisons can be easily made across territories (Schuiling & Kapferer, 2004). Moreover, the local brand has the possibility of responding to local or international competition by repositioning and adapting the marketing mix accordingly. In comparison, the marketing strategy for a global brand must follow a predefined regional or global marketing strategy (Schuiling &

Kapferer, 2004). However, local brands are not without limitations and drawbacks either. The primary drawback is that local branding is largely linked to costs. The relatively small volumes of products that local brands sell prevent the brands from generating significant economies of scale in the product and marketing areas (Schuiling & Kapferer, 2004). Other limitations include lack of innovation in which local brands rely heavily on loyalty as a driver of preference and may lose their relevance because their products are no longer modern or sufficiently adapted to meet present-day demands. Kapferer emphasizes that innovation are the lifeblood of a brand (Kapferer, 2008). Another limitation is the local brands' self-restriction in which they do not seek opportunities for growth in neighboring countries that are familiar with the brand or have cultural similarities that favor its assimilation (Kapferer, 2008).

When there are differences in consumers, cultural and socioeconomic condition and market structures, Roth points out that customization to local markets may be expected. He also found out that local branding or customization is adopted when national and inter-market environmental conditions differ in different markets (Roth, 1995). Furthermore, Roth noted that managers enhanced the effectiveness of their brand image strategies when they took cultural individualism and national socioeconomics of different markets into consideration. Whereas, when markets do not differ cross nationally in those conditions, managers are much more likely to utilize local branding or customization strategies. Roth (1995) noted that although some brands have succeeded in adopting global branding, it is imperative that brand managers identify and respond to market conditions that can affect different markets in different ways, thus resulting in adoption of local or global brand image strategies. In regards to what kind of market conditions that can affect different markets in different ways, Kapferer (2008) conducted a research on what kind of differences between countries would compel companies to adapt the marketing mix of the brand. He found that the main factor for adapting the marketing mix is legal differences. This is for example laws that deal with the definition of products, the right to sell, the authorization and manner of advertising of alcohol and the use of children in advertising that vary considerably. The second factor is linked to the local competitive situation such as the number and strength of competitors, levels of brand awareness type and level of distribution, stage in the product life cycle. Kapferer noted that the significance of this factor concerns the local competitive situation which explain to some extent the global success of brands such Mars, Gillette, McDonald's, Coke, Bailey's and so on. When these brands entered the market, they did not really have any competitors. They were new products thereby creating new segments or revealing the start of a latent demand across countries. They were driven by the feeling that they had an excellent product and extended their programs to all countries. The third factor hindering globalization is the differences in consumer habits. Kapferer emphasizes that a brand must play down its ethnic component to become truly global. For instance, the globalization of Bailey's consisted of breaking away from the association as an "Irish Cream" and the promotion of Ireland as a tourist destination, and instead promoting "Bailey's on ice" (Kapferer, The New Strategic Brand Management, 2008). As a result, companies should select the correct positioning for a specific market, taking legal differences, local and international competitors and consumer habits into account in order to manage their brands more successfully (Schuiling & Kapferer, 2004).

Considering global and local brand strategy, Samiee and Roth (1992) found that across a variety of global industries, financial performance did not differ between companies using global or local marketing strategies. They investigated the direct effect of degree of marketing standardization on product performance and found no significant relationship. Therefore, they state that there is no reason to expect customization to be an inherently more successful strategy than standardization or vice versa.

3.5. Critique of Branding

The concept of branding has not escaped criticism, and some claim that the consumers are being manipulated by big corporations and their brands (The Economist, 2001). There are a number of anti-branding pioneers on the market including Eric Schlosser's "Fast Food Nation", Robert Frank's "Luxury Fever", Francois Dufour and Jose Bove's "The World is Not for Sale" (The Economist, 2001). However, the most known pioneer within anti-branding is Naomi Klein's "No Logo" who claims that companies are switching from producing products to focusing on managing brands and marketing aspirations, images and lifestyles (Klein, 2000). Furthermore, Klein notes that the role of branding has shifted from serving as a guarantee of value on a product to the brand itself becoming a product "a free-standing idea pasted on to innumerable surface, while the actual product has become merely a medium bearing the brand-name" (Klein, 2000). As a result, companies that have become immersed in their brands are ever on the search for new and creative ways to build and strengthen their brand image. Klein has also mentioned that the problem with branding and brands is that they restrict choice. She argues that "brands at the core are selfish creatures, driven by the need to eliminate competitors and create self-enclosed branded systems". For example, when a company lands a sponsorship deal with major sport events, they are able to exclude other competing brands from this sponsorship deal (Klein, 2000).

Another point noted by Klein is that branding has resulted to the devaluation of the production itself. She notes that there has been a lot of emphasis on branding despite the fact that building a superbrand is very expensive. She notes that “the necessity for lavish spending on marketing creates intense resistance to investment in production facilities and labor.” This has resulted to a shift in employment patterns where most if not all of the production is done in developing countries where the wages are low and globally, most jobs have become increasingly temporary, part-time or on contract basis. Klein’s point of argument is that the same branding intensity that appears at the consumer end is quite lacking at the point of production (Klein, 2000).

“Branding […] is a balloon economy: it inflates with astonishing rapidity but it is full of hot air. It should not be surprising that this formula has bred armies of pin-wielding critics, anxious to pop the corporate balloon and watch it fall to the ground. […] Brand image, the source of so much corporate wealth, is also; it turns out, the corporate Achilles heel” (Klein, 2000*).*

Klein means that inasmuch as branding has created close relationships between companies and their target consumers resulting to value creation for these brands, they have become vulnerable to the consumer reactions in cases of wrong doing, which can result to substantial losses. Klein believes that the concept of branding is highly inflated in the sense that the value created by the brand, could easily be eliminated in case of a crisis.

As a response to Klein’s criticism of branding, Sameena Ahmed, the Economist’s business correspondent, argues against Klein and that branding began as a form of exploitation, but in fact began as consumer protection. She agrees with Klein that the flip side of the power and importance of a brand is its growing vulnerability, therefore it is important to protect and sustain a brand as a failed advertising campaign, a drop-off in quality or hint of scandal can quickly make the customers flee. Ahmed stresses that the more companies promote the value of their brands, the more they will need to seem ethically robust and environmentally pure. Therefore, brands are levers for lifting standards (The Economist, 2001).

3.6. Subconclusion

Having examined relevant literature about brands, it has been found that no universal definition of the concept “brand” exists. However, it is clear that brands are more than a simple tool of differentiation because as Keller (2008) and Southgate (1994) state that brands are a complex multidimensional construct which may explain why there is not a single universal valid definition on the concept. In this thesis, brands will be defined as consisting of tangible and value-adding intangible assets and will at the same time adopt Keller’s definition of brands: *“A brand is (…) more than a product, because it can have dimensions that differentiate it in some way from other products designed to satisfy the same need. What distinguishes a brand from its unbranded commodity counterpart and gives it equity is the sum of consumers’ perceptions and feelings about the products’ attributes and how they perform about the brand name and what it stands for, and about the company associated with the brand”.*

The brand management is characterized by three main brand components: brand identity, brand positioning and brand image. The brand identity consists of brand essence, brand core and extended identity. These three elements may differ in different markets as the brand identity may be interpreted differently in different contexts. Nevertheless, it is important to create a strong brand identity that is well understood by customers in order to stand out from the competitors. The brand positioning relates to creating the perception of a brand in the customer’s mind with the aim of achieving differentiation so that the brand stands apart from the competitors’ brands and offerings and meets the consumers’ needs and expectations. Ries and Trout (2000) explain that positioning is really about placing the product in the mind of the customer. This can be done by establishing key brand associations in the minds of the consumers and anchoring a brand to a category so that a consumer has a reference point. As consumers are bombarded with continuous stream of advertising, the best way to cope with information overload is to oversimplify the brand message to the consumers. At the same time, they emphasize that it most likely is a mistake to build a brand by trying to appeal to everyone as a product that seeks to be everything to everyone will end up being nothing to everyone (Ries & Trout, 2000). In regards to brand image, it is defined as perceptions about a brand as reflected by the brand associations held in consumer memory. Park, Jaworski and MacInnis (1986) suggest focusing on three types of consumer needs - functional, social and sensory - for the brand image strategy. Roth (1992) supports Park, Jaworski and MacInnis’ brand image strategy and found that firms emphasizing fewer needs tend to outperform those incorporating multiple needs. Additionally, it was also found advantageous for managers to diversify brand image across two or more consumer needs.

Global and local branding involves the reflection of the decision that brand and marketing managers have to make in response to either customizing or standardizing their marketing and branding efforts as they go to international markets. The key advantages of global branding are economies of scale, message consistency, attraction of common cross-national market segments through the use of global and standardized marketing programs, cost reductions in packaging and communication costs. However, global branding may be elusive as cultural differences may make it difficult to create a global campaign in different markets. This is why local branding can be less costly and more effective for companies that locally adapt to the market conditions in different markets. Local branding is advantageous in its flexibility in pricing and marketing strategy as they do not necessarily need to follow a predefined regional or global marketing strategy as opposed to global branding. However, local branding can be largely linked to costs because of its relatively small volume of products that local brands sell. Nevertheless, it is imperative that brand managers identify and respond to market conditions that can affect different markets in different ways, thus resulting in adoption of local or global brand image strategies. Kapferer (2008) emphasizes that companies should select the correct positioning for a specific market, taking local and international competitors and consumer habits into account in order to manage their brands more successfully. Samiee and Roth (1992) found that there is no reason to expect customization to be an inherently more successful strategy than standardization or vice versa.

Klein (2000), who is one of the leading branding critics, claims that companies are no longer focusing on producing products but merely managing brands instead. She also claims that branding is highly inflated in its value and can easily be eliminated if any wrong doings occur. Ahmed (2001) argues against Klein and stresses the fact that the more companies promote the value of their brands, the more they will need to seem ethically robust and environmentally pure. Therefore, brands are highly relevant as they are levers for lifting the standards.

4. Theoretical Framework

The theoretical framework section discusses the theories and theoretical topics that have been used for analysis in this thesis. This part starts with Integration – Responsiveness (I-R) framework that forms the theoretical basis for the three market conditions that may influence the adoption of either a global, local or mixed brand management strategy. The three market conditions relevant for this study are consumer tastes and preferences, economic environment and competition. For analyzing consumer tastes and preferences, the cultural theory of GLOBE studies has been adopted. The relevance of consumer tastes and preferences was considered seeing that branding is built around people, and as of product branding attracts attention and gains its support from consumers, it was a fundamental choice to examine this market condition. For analyzing economic environment, official indexes, statistics and reports will be applied. The reason for studying the economic environment was due to existing research both confirming and disconfirming the relevancy of this market condition, therefore the economic environment will be re-checked in order to see whether it actually has an effect on the chosen branding or not. For analyzing competition, industry concentration ratios will be used. As for the choice of studying competition, it is said to be an important factor in determining the profitability of an industry and formulating the strategy. Even a company with a strong position in an industry unthreatened by potential entrants will earn low returns if it faces a superior or a lower-cost substitute product. Therefore, the influence of competition on the brand management will be investigated to find out whether competition in fact is an important market condition influencing the chosen branding strategy or not. Furthermore, for analyzing all three market conditions, statistics and relevant data will be applied.

In this section, the current existing research on the I-R framework, GLOBE study, economic environment and competition have been discussed, and thereafter a conceptual framework that has been adopted to answer the research question was developed.

4.1. Integration-Responsiveness Framework (I-R Framework)

The I-R framework, which was first conceptualized by Prahalad and Doz in 1985, has been modified by other scholars over time. The original and subsequent modifications of this framework have been studied below.

4.1.1. The I-R Framework by Prahalad & Doz

"A major trend that has affected the thinking of corporate multinational enterprise strategist over the last 20 years is that of balancing a concern for economic integration with national responsiveness" (Rugman, 2005). As indicated, the challenge of the integration – responsiveness

framework cannot be underestimated. The global integration and local responsiveness framework has proved to be a robust framework for describing and analyzing the international strategies. Furthermore, the framework has been empirically validated by researchers such as Jarillo & Martinez in 1990, Roth & Morrison in 1991, and Johnson in 1995 (Luo, 2000). The I-R framework was developed by Prahalad and Doz in 1987 and has been conceptualized to be useful in capturing managers' perceptions of the critical pressures for global integration and local responsiveness in different business environments. Prahalad and Doz stated that "the movement of a business within the I-R grid is very much influenced by the perceptions, judgments and ambitions of managers of how it can be re-segmented or changed" (Prahalad & Doz, 1987).

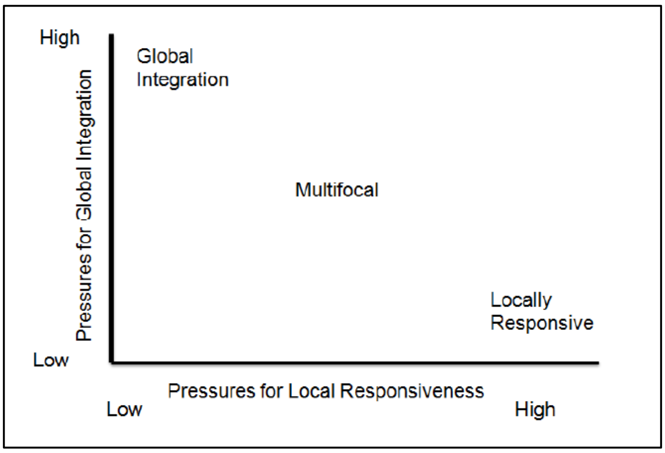


Fig 2: I-R framework (Prahalad & Doz, 1987)

Prahalad and Doz (1987) asserted that firms competing in the global marketplace face two types of pressures – global integration and local responsiveness - which imply different demand on the resource management of the firm. The need for global integration is driven by the pressure of homogenous needs and tastes, reducing overall cost and to maximize return. Other pressures include multinational customers, standardized local customer service requirements, pressure for cost reduction, standardized product technology, concentrated international distribution infrastructure and importance of multinational competition (Prahalad & Doz, 1987; Kogut, 1984; Porter, 1986). Global integration typically involves processes of product standardization and technology development centralization for firms operating across national boundaries (Prahalad & Doz, 1987). Kogut (1984) likewise noted that global integrated firms could gain competitive advantages from exploiting differences in national resource endowments; the flexibility and bargaining strength of a multinational network; and economies of scale, scope and learning. On the other hand, local responsiveness is the willingness of firms to make adjustments to their products, services, and ways of conducting business at the local level, taking into consideration local culture and needs (Prahalad & Doz, 1987). Pressures for local responsiveness involve differences in customer needs and tastes, differences in distribution channels, availability of substitutes and the need to adapt, market structure and importance of domestic competition and host government demands (Prahalad and Doz, 1987; Kogut, 1984; Porter, 1986). Roth and Morrison (1990) explain that while responding to the pressures for local responsiveness, management may respond predominantly to each local market or industry setting irrespective of the strategic consideration of subsidiaries in other countries or regions. This means when increasing the level of local responsiveness or customization, the global integration or standardization is being traded off resulting in a loss of global integration. Therefore, it is not possible to maximize both the level of global integration and local responsiveness. However, it is still possible for firms to achieve both global integration and local responsiveness – this strategy is called multifocal strategy, which indicates that firms need to compromise in order to find the right fit between global integration and local responsiveness (Prahalad and Doz, 1987).

On the whole, Prahalad and Doz noted that developing and implementing global strategies requires not only a good analysis of cost and technological advantages of competitors, but also the skills to foresee shifting patterns of competitive advantage in a given business and deploying resources to ensure the competitiveness is maintained. Prahalad and Doz explained that it is also important for managers to assess the pattern of change of these pressures because they will affect how business is conducted in the future and could lead to the change and implementation of a different strategy (Prahalad & Doz, 1987). Additionally, Luo noted that the degree of integration or responsiveness is a firm-specific issue which depends on contextual contingencies and organizational dynamics (Luo, 2000). As noted earlier, the I-R framework can be applied for analysis at industry level, business level and functional or task level within a business and it has been applied in many studies such as in construction equipment industry firms in the US (Johnson Jr., 1995), Japanese automobile firms' marketing strategies in Western European market (Grein, Craig, & Takada, 2001)and Chinese multinationals in Australia (Fan, Zhu & Nyland, 2012).

The I-R framework has important strengths which Roth & Morrison noted that managers have been able to apply the framework in developing and implementing international strategy in different contextual settings (Roth & Morrison, 1990). However, the framework has some limitations that are worth mentioning. Roth & Morrison pointed out that "although the I-R framework established the general domain of a theory and specifies the basic constructs, a lack of conceptual clarity exists regarding the interaction of particular industry forces and the system states". This means that the framework lacks conceptual clarity in terms of identifying specific variables when it comes to defining the group of businesses competing in a global industry. Conceptual clarity is especially important for ensuring that all variables are interpreted the same way and it helps increase comprehension and communicates certainty (Roth & Morrison, 1990). Ghemawat (2008) criticizes Prahalad and Doz's early model as it has a disadvantage with regards to its managerial implication, as managers have to choose between global integration or local responsiveness and by doing so ending up with a multifocal strategy as a compromise, meaning a sub-optimal solution. This also implies that global integration and local responsiveness is impossible to achieve at the same time.

4.1.2. Bartlett & Ghoshal's Modification of the I-R Framework

Bartlett and Ghoshal (1989) extended the framework by demonstrating that the pressures of global integration and local responsiveness applied differently to industries, business divisions, functions and tasks. According to Bartlett and Ghoshal, some industries such as consumer packaged goods require extensive local responsiveness because of their necessity to meet local demands, while consumer electronics industry require global integration due to their cost advantages and economies of scale in production. Similarly, they found out that within a company, different business divisions and functions would respond to these pressures differently (Bartlett & Ghoshal, 1989). Furthermore, Bartlett & Ghoshal explained that companies can typically choose among four main strategic postures when competing internationally. These can be characterized as multi-domestic strategy, an international strategy, a global strategy and transnational strategy (Figure 3).

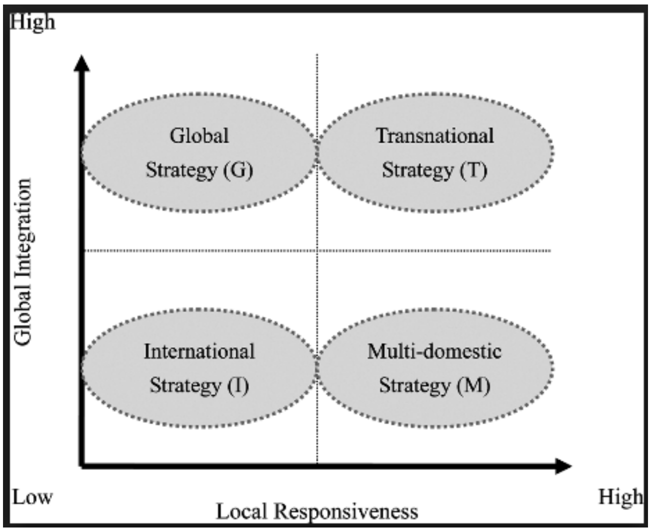


Fig 3: The I-R Framework (Bartlett & Ghoshal, 1989)

The multi-domestic strategy, which is the same as the Prahalad and Doz' local responsiveness strategy, focuses on increasing profitability by customizing products to the tastes and preferences of the different national markets. Arguably, it is most appropriate where consumer tastes and preferences differ substantially across nationals and cost pressures are not too intense. By customizing the product offering to local demands, the firm increases the value of their product in the local market. However, the customization limits the ability of the firm to capture the cost reductions associated with mass-producing a standardized product for global consumption (Bartlett & Ghoshal, 1989).

The international strategy involves taking products first produced for a domestic market and selling them internationally with minimal local customization. The distinguishing feature of many such firms is that they are selling a product that serves universal needs, but they do not face significant competitors thereby not confronted with pressures to reduce their cost structure (Bartlett & Ghoshal, 1989). Firms pursuing an international strategy have followed a similar developmental pattern as they expanded into foreign markets. They tend to centralize product development functions such as R&D at home. However, they also tend to establish manufacturing and marketing functions in each major country or geographic region in which they do business. The resulting duplication can raise costs, but this is less of an issue if the firm does not face strong pressures for cost reductions. Also, they may undertake some local customization of product offering and marketing strategy, it tends to be rather limited in scope. For most firms pursuing an international strategy, the head office retains fairly tight control over marketing and product strategy (Barlett & Ghoshal, 1989).

The global strategy, which corresponds to Prahalad and Doz' global integration strategy, aims at pursuing a low-cost strategy on a global scale. Arguably, firms pursuing a global strategy try not to customize their product offering and marketing strategy to local conditions because customization involves shorter production runs and the duplication of functions, which tend to raise costs. Instead, a preference to market a standardized product worldwide reaps the maximum benefits from economies of scale and learning effects. This strategy is most appropriate when there are strong pressures for cost reductions and minimal demands for local responsiveness (Bartlett & Ghoshal, 1989).

The transnational strategy aims at achieving low costs through coordinating operations in the local markets where they are present in order to utilize all opportunities of economies of scale and scope derived from global integration while still managing to differentiate their products across geographic markets (Bartlett & Ghoshal, 1989). This strategy is most appropriate when the firm faces both strong cost pressures and strong pressures for local responsiveness. Bartlett and Ghoshal argue that in today's global environment, competitive conditions are so intense that to survive, firms must do all they can to respond to pressures for cost reductions and local responsiveness. They must try to realize location economies and experience effect, to leverage products internationally, to transfer core competencies and skills within the company, and to simultaneously pay attention to pressures for local responsiveness. However, this strategy is a complex and challenging task as it places conflicting demands on the firms. Differentiating the product to respond to local demands in different geographic markets raises costs, which runs counter to the goal of reducing costs. By implementing the transnational strategy, Bartlett and Ghoshal took the I-R framework a step further by arguing that the global integration and local responsiveness did not need to be traded off. As indicated in the transnational strategy, firms can transfer knowledge internationally, build presence by responding to national differences and cutting costs by centralizing global scale operations, thereby could transcend the tradeoff of the I-R framework (Bartlett & Ghoshal, 1989).

According to Ghemawat (2008), by bridging the tradeoff in Prahalad and Doz' (1987) framework, the emergence of the transnational solution has a major drawback as the lack of mutual exclusivity only can provide managers with the conclusion that "both are important". Given the lack of meaningful strategic choice, the impact of the transnational strategy is limited. In addition, Rugman criticized Bartlett and Ghoshal's modification to the I-R framework by pointing out that the transnational strategy has a limitation as it oversimplifies the geographical space to only national and global, arguing that manager do not only adopt a global or national focus but rather a regional one (Rugman, 2008).

4.1.3. Lehrer and Asakawa's further modification of the I-R Framework

Further theoretical development by Lehrer and Asakawa suggests that firms should adopt a regional focus. Based on a contingency standpoint, Lehrer and Asakawa (1999) argue that environmental pressures influence the need for a regional approach. These environmental factors pressures firms to standardize while concurrently be locally responsive. Compared to Prahalad and Doz (1987), this framework implies that firms can achieve both integration and responsiveness as the pressures are divided into two different parts of the organization (See Figure 4).

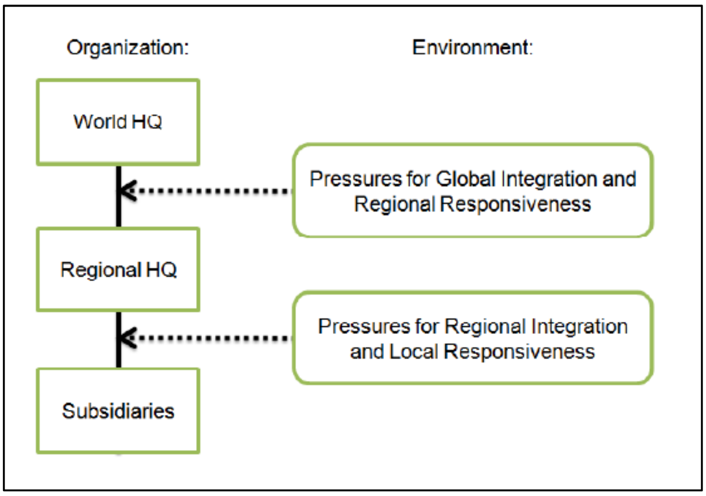


Fig 4: Relations of MNC organization-environment fit (Lehrer & Asakawa, 1999)

Lehrer and Asakawa (1999) present two dimensional environmental forces on the organizational structure in which the need for global integration and standardization exists between the world HQ and regional HQ while the pressure for regional responsiveness is between regional HQ and their subsidiaries. In comparison to the failure of identifying a structure to the transnational strategy, Asakawa and Lehrer suggest a regional structure with a regional HQ (See figure 5).

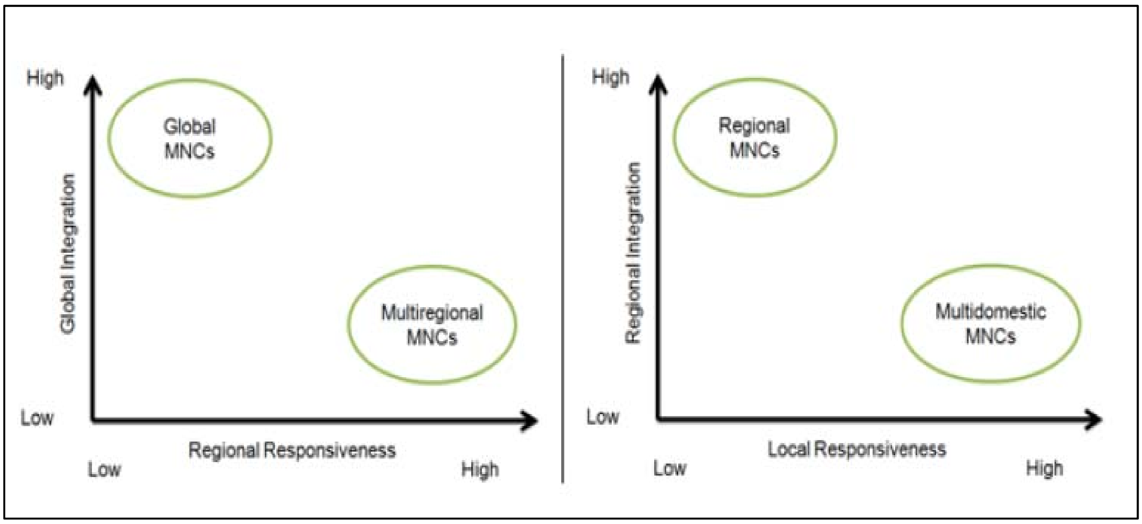


Fig 5: The modified I-R Framework (Lehrer & Asakawa, 1999)

The further modifications by Lehrer and Asakawa suggest that there is a separation between the pressure for global integration and regional responsiveness and the pressure for regional integration and local responsiveness.

4.1.4. Subconclusion

Having examined the original I-R framework and its modifications, it is clear that the original I-R framework is still one of the most widely cited and applied concepts in the international business literature due to its simplicity. The I-R framework originally developed by Prahalad and Doz (1987) was modified by Bartlett and Ghoshal (1989) bridging the tradeoff of the global integration and local responsiveness, while the modifications of Lehrer and Asakawa (1999) took a regional approach by demonstrating the separation between the pressure for global integration and regional responsiveness and the pressure for regional integration and local responsiveness.

In our thesis, the original I-R framework was adopted as our aim was to analyze and establish to which extent the Danish companies' perception of certain global and local pressures trigger them to adopt a globally integrated, locally responsive or multifocal brand management strategy in the American consumer goods market. By global pressures, it is referred to market conditions that can be integrated across markets and local pressures refer to market conditions indicating local needs. In other words, this means if there are similar market conditions then global strategy should be adopted and if there are differences in the market conditions then local strategy should be implemented. Additionally, in order to avoid making the scope more complex and incomprehensible by including the international, transnational or regional approach, the emphasis was placed solely on the aspect of global integration and local responsiveness providing the thesis a much more focused standpoint.

4.2. Market Conditions

As mentioned earlier, the three market conditions of consumer tastes and preferences, economic environment and competition are the center of attention when considering the degree of impact they have on the global or local branding strategy. In this section, the three market conditions and their research hypotheses have been examined and provided.

4.2.1. Customer Tastes and Preferences

Consumer tastes and preferences are defined as subjective and individual tastes as measured by consuming or utilizing goods. Furthermore, it is independent of income and prices as the ability to purchase goods does not determine a consumer's likes or dislikes. (Hill, 2009). Depending on the consumer tastes and preferences across countries and cultures, marketing and product initiatives can be standardized or customized. A commonly used approach that has been adopted to study consumer behavior is based on cultural characteristics since it has been found that cultural differences across markets are an indicator of differences in consumer needs, tastes and preferences (Lynn, Zinkhan , & Harris, 1993). In this thesis, the consumer tastes and preferences were analyzed through the GLOBE Study's cultural dimensions.

4.2.1.1. The GLOBE Study

The Global Leadership and Organizational Behavior Effectiveness study, which is referred in short as the GLOBE study, is the most comprehensive study to date that empirically researched the relationship between culture and leadership behavior in so many societies, with so many different quantitative and qualitative measures and methods, and in so many different organizations (Hoppe, 2007). GLOBE study is based on nine cultural dimensions encompassing both actual society practices ("As Is") and values ("Should Be") in different cultural settings. The nine cultural dimensions are Uncertainty Avoidance, Power Distance, Institutional Collectivism, In-Group Collectivism, Gender Egalitarianism, Assertiveness, Future Orientation, Performance Orientation, and Humane Orientation (House, Hanges, Javidan, Dorfman, and Gupta, 2004). Of the nine cultural dimensions measured in the GLOBE study, three are similar to those directly studied by Hofstede. These are power distance, uncertainty avoidance and individualism-collectivism (House et al., 2004). The study seeks to refine Hofstede's study and to link the project's new measures to organizational culture and leadership. While both GLOBE and Hofstede's studies provide data on cultural values and practices in different countries, they have also proved relevant for marketing purposes and assessing differences among consumer behavior as different cultural values and customs can be adequately captured by the dimensions named in the GLOBE study (Hoppe, 2007). View the differences between the GLOBE study and Hofstede's framework below:

No.	Points of difference	GLOBE study	Hofstede's study
1	Time frame	1994-1997	1967-1973
2	Primary researchers involved	170	1
3	Respondents	Managers	Non-managers and managers
4	Organisations surveyed	951	1
5	Type of organisation	Non-multinational	Multinational (and its subsidiaries)
6	Industries	Food processing, financial and telecommunication services	Information technology
7	Number of societies surveyed	62	72
8	Research analysis	Team effort	Single person's effort
9	Project design	US-based	Dutch-based
10	Cultural dimensions identified	Nine dimensions	Four dimensions

Table 4: Differences between the GLOBE study and Hofstede

On the other hand, GLOBE study has a relatively small sample with an average of only about 250 subjects per culture. The GLOBE researchers report that the number of respondents ranged from 27 to 1,790, though more than 90% of the cultures investigated had sample sizes of 75 respondents or greater. While 17,300 total respondents is indeed a large figure, it is still a small sample for describing societal values and practices in 62 different cultures. Another limitation for GLOBE is that the respondents were middle managers in corporations, while Hofstede surveyed both non-managers and managers. This means that only a single group within each culture was analyzed in the GLOBE study (Hoppe, 2007). Nevertheless, the GLOBE study is comprehensive from a methodological standpoint. For instance, their reliability and validity measures have been tested using multitrait, multimethod approaches (Hanges, 2004). Additionally, over 170 GLOBE researchers from different cultural backgrounds worked together on construct definition, construct conceptualization and on the measurement of the constructs. In most countries or cultures analyzed in the GLOBE study, data collection was carried out by natives of the country or by researchers with extensive experience in those markets. This resulted in a comprehensive empirical study of culture and leadership behaviour, both qualitatively and quantitatively (Hoppe, 2007).

4.2.1.1.1. GLOBE Study and Consumer Behavior

The cultural dimensions in GLOBE study have been applied in studying different elements such as organization behavior, cross-cultural management, consumer behavior and advertising. Originally, the GLOBE study was conducted to examine organizational behaviour. However, numerous calls have been made for further application of the GLOBE cultural framework for the global advertising literature and consumer behavior (Okazaki, Mueller, & Taylor, 2010; Terlutter, Diehl, & Mueller, 2010). In this thesis, the consumer behavior will be examined to bring to light the investigation of the consumer tastes and preferences in the American and Danish market. Consumer behavior is a broad term referring to what consumers buy, how they buy, where and when they buy and in how much quantity they buy. Usually, what consumers buy is determined by their tastes and preferences. Therefore, consumer tastes and preferences have generally been studied under the umbrella of consumer behavior. In this thesis, the term consumer tastes and preferences have been applied to make it more comprehensible and specific compared to the broad terms of consumer behavior.
The following dimensions from the GLOBE study have been selected: Assertiveness, Uncertainty Avoidance, Power Distance, In-group Collectivism and Gender Egalitarianism. These cultural dimensions have been used in marketing related studies and therefore, they were also deemed applicable in examining the consumer tastes and preferences' influence on global or local brand management strategy. However, humane orientation, institutional collectivism, future orientation and performance orientation were delimited because these cultural dimensions are more organization-related and were considered not valid for studying consumer behavior in this research.

4.2.1.1.2. Assertiveness

House et al. (2004) define assertiveness as the degree to which individuals are assertive, confrontational, and aggressive in their relationships with each other. Societies that score high on assertiveness practices tend to value tough, dominant and assertive behavior, value direct communication, have sympathy for the strong, have a "can-do" attitude, and value what you do more than who you are (House et al., 2004). On the other hand, societies that score low on assertiveness tend to have sympathy for the weak, value modesty and cooperation, speak indirectly and emphasize "face-saving", and value ambiquity and subtletly in language and communication

(House et al., 2004). Galassi and Galassi (1978) defined assertive behavior as a complex set of behavior emitted by a person in an interpersonal context which expresses that person's feelings, attitudes, wishes, opinions or rights directly. Richins (1983) defined consumer assertiveness as a tendency for consumers to "stand up for their legitimate rights without violating the rights of others".

One of the main concepts behind assertiveness in relation to consumer behavior is the determination of to which extent the level of assertiveness should be emphasized in advertisements as the different markets may perceive it differently. The first published investigation applying GLOBE in advertising research was a study by (Terlutter, Diehl, & Mueller, 2005)**.** Their study focused on the assertiveness cultural dimension, since assertive messages seem to be an "appeal commonly employed in commercial messages" (Terlutter et al., 2005). Terlutter et al. (2005) found that assertiveness is a favorable cultural dimension for advertising purposes. They also found that it is not consumers from a country with the highest assertiveness scores who positively evaluate advertisements incorporating assertive appeals. In fact, consumers from a country with the perceived lowest level of assertiveness score were the ones who evaluated it most positively (Terlutter et al., 2005). Another study by (Okazaki et al., 2010) examined how hard versus soft-sell advertising techniques were perceived by American versus Japanese consumers. They looked at both the assertiveness and performance-orientation in GLOBE dimensions of culture and found that there were significant differences in consumer responses to soft-sell appeals across the two cultures. The use of soft-sell appeals is more favorable among Japanese consumers, while American consumers are more likely to believe ads containing hard-sell appeals. Okazaki et al. (2010) concluded that the use of hard-hitting sales pitches may be more persuasive for American consumers whose judgments tend to be based on assertive, performance-oriented values, however the Japanese consumers were likely to feel irritated by ads containing hard-sell appeals as they are viewed as too aggressive and confrontational (Okazaki et al., 2010). From an international perspective, Terlutter et al. (2005) found that employing a standardized approach in international efforts, firms must be aware that an ad incorporating assertiveness appeals may well be perceived differently from one country to the next, depending on the role that assertiveness plays in that particular market (Terlutter et al., 2005). Consequently, when looking at assertiveness' influence on brand management strategy in different markets, companies have to be conscious of important differences across markets because developing an assertive brand may be appealing to some and not to others.

In reference to consumer tastes and preferences, it indicates that while on one hand consumers in cultures with low level of assertiveness found assertive advertisement messages appealing, on the other hand it was also determined that soft-sell adverts were more appealing to consumers with less assertiveness in their cultures. This indicates that firms may adopt different strategies for two cultures with similar levels of assertiveness. In this regard, the above literature indicates that assertiveness affects consumer tastes and preferences. Therefore, if Danish companies perceive differences or similarities in the level of assertiveness in the American or Danish societies, this will influence brand management strategy. More specifically, according to House et al., (2004), the GLOBE study scored the level of assertiveness as 4.55 for the American society, and 3.8 for the Danish society. Higher scores indicate greater assertiveness meaning that USA has a more assertive society than Denmark.

4.2.1.1.3. Power Distance

Power Distance is directly similar to Hofstede's dimension and is defined as the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally (Hofstede & De Mooij, 2010; House et al., 2004). In low power distance cultures, everyone is considered equal, while in high power distance cultures, everyone has their rightful place in a social hierarchy and one's social status must be clear so that others can show proper respect (Hofstede & De Mooij, 2010).

The main concept behind power distance in relation to consumer behavior is to understand the role of global brands when brands are utilized for the purpose of demonstrating one's status. This is especially true for luxury articles, some alcoholic beverages and fashion items that typically appeal to social status needs (Hofstede & De Mooij, 2010). According to Roth (1995), national cultures that are higher in power distance attach more importance to brand names. Additionally, Lam (2007) believed that individuals who score higher in power distance are less brand-loyal as they are more likely to switch brands in order to suit the impulses of their power group, whereas individuals who score lower in power distance are not so influenced by high power groups, therefore purchase brands they like and develop greater brand-loyalty. Research has shown that in low power distance cultures such as Germany and the Netherlands, where people are not so focused on social roles and group affiliation, functional brands that de-emphasize the social, symbolic, sensory and experiential benefits of products are often preferred (Roth, 1995). While, the high power distance cultures as

China, France and Belgium, brands containing social and/or sensory needs should be emphasized as these benefits are more effective in developing brands (Roth, 1995).

In respect of power distance and consumer tastes and preferences, the above literature indicates that consumers in high power distance markets are likely to purchase brands in order to demonstrate their social status, whereas low power distance consumers do not attach much importance to brand names or group affiliation. Therefore, if Danish companies perceive differences or similarities in power distance in the American and Danish markets, this will influence brand management strategy. More specifically, according to House et al., (2004), the GLOBE Study scores for power distance are 4.88 for USA and 3.89 for Denmark. Higher scores indicate greater power distance meaning that USA has higher power distance than Denmark.

4.2.1.1.4. In-group Collectivism

In-group collectivism is defined in the GLOBE study as the degree to which individuals express pride, loyalty, and cohesiveness in their families or organizations (House et al., 2004). Moreover, the concept is directly similar to Hofstede's dimension of individualism-collectivism who defines it as "people looking after themselves and their immediate family only, versus people belonging to in-groups that look after them in exchange for loyalty" (Hofstede & De Mooij, 2010). Hofstede and De Mooij (2002) explain that in individualistic cultures, one's identity is in the person. People are "I"-conscious and self-actualization is important. Individualistic cultures are universalistic, assuming their values are valid for the whole world. In collectivistic cultures, people are "we"-conscious. Their identity is based on the social system to which they belong, and avoiding loss of face is important (Hofstede & De Mooij, 2002).

The consumer behavior associated with the cultural dimension of in-group collectivism pertains to the behavior of people in groups, their relationships with others and their perceptions of themselves in relation to others. As a result, the studied consumer behavior is in respect to reference group influence, self-concept and information processing.

Park and Lessig (1977) defined a reference group to be an actual or imaginary individual or group conceived of having significant relevance upon an individual's evaluations, aspirations or behavior. Gregory and Munch (1996) stated that individuals in a collectivist culture feel that it is important to conform to the goals of a collective in-group such as the family, tribe or religious group. Collectivistic cultures have interdependent self-concept which is based on group characteristics such as family background, and national historical achievements and there is a greater emphasis on group goals (Belk, 1988; Abe, Bagozzi & Sadarangani, 1996). On the other hand, research suggests that in Western societies, the independent self-concept is predominant and people see themselves as distinct individuals where interpretations of identity are usually based on individual characteristics such as age, occupation, behavior and material symbols of status as well as by an emphasis on personal goals and achievement (Belk, 1988; Abe et al., 1996).

Childers and Rao (1992) examined the influence of the family on individuals' product and brand decisions in the United States (an individualistic country) and Thailand (a collectivist country) and found that the influence of referents other than family members was relatively less powerful in families in Thailand compared to families in the United States. Webster and Faircloth III (1994) support this view and stated that people who identified strongly with their ethnic roots had a higher tendency to be influenced by the expectations of close acquaintances and family members in brand selection.

Linking in-group collectivism to consumer tastes and preferences, the above literature indicates that consumers high in in-group collectivism would be more likely to be influenced by their group's behavior, while those low in in-group collectivism are more independent. This means that companies in a collectivistic culture would therefore manage their brands in such a way that they have a collective appeal as compared to a more individualistic appeal. Therefore, if Danish companies perceive differences or similarities in in-group collectivism in the American and Danish society, this will influence brand management strategy. More specifically, according to House et al. (2004), the GLOBE Study scores for in-group collectivism are 4.25 for USA and 3.53 for Denmark. Higher scores indicate greater in-group collectivism meaning that USA is more in-group collectivistic than Denmark.

4.2.1.1.5. Uncertainty Avoidance

Uncertainty avoidance dimension is also directly similar to Hofstede's dimension and is defined as "the extent to which people feel threatened by uncertainty and ambiguity and try to avoid these situations" (House et al., 2004; Hoppe, 2007). In cultures of strong uncertainty avoidance, there is a need for rules and formality to structure life, and people of high uncertainty avoidance are considered to be less open to change and innovation than people of low uncertainty avoidance cultures (Yaveroglu & Donthu 2002; Yeniurt & Townsend, 2003; Tellis, Stremersch, & Yin, 2003).

One of the main concepts behind uncertainty avoidance is the ability to tolerate risk. Therefore, when identifying consumer behavior related to uncertainty avoidance, it is necessary to determine that with an element of risk or uncertainty involved as this will be the behavior most affected. Hence, the consumer behavior discussion below is in respect to perceived risk and brand loyalty. Perceived risk corresponds to the cultural concept of uncertainty avoidance. Individuals high in uncertainty avoidance have a lower tolerance for ambiguity, and experience higher anxiety and stress in their lives. Therefore, they are also less willing to take risks in life and avoid purchasing products or services they perceive are associated with high risk (Gentry, Tansuhaj, Manzer, & John, 1988; Dowling & Staelin, 1994). Another consumer behavior that can be associated with the uncertainty avoidance dimension is brand loyalty. Brand loyalty refers to the consistent preference and purchase of the same brand in a specific product or service category (Schiffman & Kanuk, 1997). According to Lam (2007), people that are high in uncertainty avoidance tend to exhibit more brand loyalty likely because they have a lower risk-taking propensity and are therefore less willing to switch brands. (Lee, Garbarino, & Lerman, 2007) added that high uncertainty avoidance cultures are less likely to purchase these products Also, if there are problems with a product or service, those higher in uncertainty avoidance are less satisfied when their expectations are not met as compared to those lower in uncertainty avoidance (Reimann, Lunemann, & Chase, 2008). Kanwar and Pagiavlas (1992) explain that as consumers perceive the risks associated with a particular product or service category to be high, they tend to remain loyal to one brand to minimize the uncertainty and any unpleasant consequences that may occur from the switching of brands. Broderick (2007) offers an explanation of uncertainty avoidance's impact on consumer involvement. She found that in high uncertainty avoidance national cultures, risk involvement results in a stronger effect on situational involvement and brand commitment, reducing the amount of brand experimentation. As a result, brand loyalty stems from the level of uncertainty and ambiguity an individual is willing to tolerate in life.

Relating the aspect of uncertainty avoidance to consumer tastes and preferences, it appears that consumers in high uncertainty avoidance markets will not take the risk of changing their preferences and will be comfortable in buying the brands that they are used to. Conversely, low uncertainty consumers will be willing to try new products and experiment with different brands. In this regard, the above literature indicates that uncertainty avoidance affects consumer tastes and preferences. Therefore, if Danish companies perceive differences or similarities in uncertainty avoidance in the American or Danish societies, this will influence brand management strategy.

More specifically, according to House et al. (2004) the GLOBE Study scores for uncertainty avoidance are 4.15 for USA and 5.22 for Denmark. Higher scores indicate greater uncertainty avoidance meaning that Denmark is more uncertainty avoidant than USA.

4.2.1.1.6. Gender Egalitarianism

Societies differ in the extent to which they prescribe and proscribe different roles for women and men (Den Hartog, 2004; Hofstede, 1980). Hofstede had conceptualized this difference as the masculinity–femininity dimension in which the masculinity dimension is linked to values such as assertiveness, competition and success, whereas the femininity dimension included values such as solidarity, nurturance and cooperation (Hofstede, 2004). In GLOBE study, gender egalitarianism is defined as the degree to which a society minimizes gender role differences (House et al., 2004; Hoppe, 2007). Emrich et al. (2004) pointed out that gender egalitarianism seems like a relevant scale for advertising research, as it is likely related to how men and women perceive advertising campaigns in different cultures, however no cross-cultural consumer behavior studies have yet been conducted with GLOBE Study, but previous research based on Hofstede's masculinity-femininity dimension has been examined.

Research shows that national cultures which are masculine-based prefer decision making based upon fact and prefer profit goals and monetary rewards. Therefore, brands that stress positive social and relational outcomes will be preferred in feminine cultures, while masculine cultures will often prefer brand statements that purport functionality and efficiency and are supported by fact (Gupta, Winkel, & Peracchino, 2009). Furthermore, (Wiles, Wiles, & Tjernlund, 1995) found that the masculinity of a nation has a relationship to the roles of males and females portrayed in branding campaigns; greater role differences occur in the higher masculinity countries and lesser differences in roles occur in lower masculinity countries. Roles studied include working, family, recreational and decorative roles, whereas in masculinity societies, men are generally shown in more working and recreational roles while women are often depicted in more decorative roles. In other words, the dimension in role differentiation is small in feminine societies, but large in masculine societies. Moreover, in masculine cultures, household work is less shared between husband and wife than in feminine cultures. Men also do more household shopping in the feminine cultures. Data from Eurostat (2002) shows that low masculinity explains 52% of variance of the proportion of men who spend time on shopping activities.

Relating the aspect of gender egalitarianism to consumer tastes and preferences, it indicates that countries with masculine characteristics and lower gender egalitarianism have a tendency to portray and emphasize the role differences in branding campaigns, while there are fewer differences in roles in countries with feminine characteristics and higher gender egalitarianism. Therefore, if Danish companies perceive differences or similarities in gender egalitarianism in the American or Danish societies, this will influence brand management strategy. More specifically, according to House et al. (2004), the GLOBE scores for gender egalitarianism are 3.34 for USA and 3.93 for Denmark. Higher scores indicate greater gender egalitarianism meaning that Denmark is more gender egalitarian than USA. Additionally, the Global Gender Gap Index, which ranks countries according to their gender gaps based on four factors: Economic participation and opportunity, educational attainment, political empowerment and health and survival. The highest score is 1 (equality) and the lowest score is 0 (inequality). Again, Denmark was considered to more gender egalitarian than USA, as Denmark was ranked as number 7th with a score of 0.77, while USA as number 22 with a score of 0.73 (World Economic Forum, 2012).

4.2.1.1.7. Subconclusion

Consumer tastes and preferences are key factors in consumer purchase decisions and differ from one country to another. Some claim that the customer demands for local customization are on the decline worldwide, therefore creating demand for standardized products sold globally. While, others believe that there are still significant difference in consumer tastes and preferences across nations and cultures, therefore creating strong pressures for local responsive (Hill, 2009). In this thesis, the consumer tastes and preferences were analyzed through the GLOBE Study and the applied cultural dimensions included: Assertiveness, Power Distance, In-Group Collectivism, Uncertainty Avoidance and Gender Egalitarianism. Having examined the five dimensions of the GLOBE Study, it has been established that it is imperative that companies are aware of the cultural similarities or differences in the countries that they operate in, as this affects consumer tastes and preferences which may be useful in determining when it is appropriate to implement a global integration or local responsiveness brand management strategy. Cultural context has been related to branding where Roth (1995) noted that when there were differences in cultural context of different markets; companies were more likely to adopt a standardized brand image strategy. In relating cultural context to consumer tastes and preferences, it indicates that when cultural contexts are related, the consumer tastes and preferences would be similar. Therefore, if consumer tastes and preferences in the American and Danish markets do not differ, Danish companies would potentially adopt a globally integrated brand management strategy in the American market. On the contrary, Danish companies would likely prefer a locally responsiveness brand management strategy in the American market, if the consumer tastes and preferences in this market are different from the consumer tastes and preferences in Denmark. The effect of consumer tastes and preferences on brand management strategy is formally hypothesized as follows:

> $\mathbf{H_{1a}}$: If Danish companies perceive differences in consumer tastes and preferences (assertiveness, uncertainty avoidance, power distance, in-group collectivism and gender egalitarianism) in the American market and the Danish market, then they will be more likely to adopt a locally responsive brand management strategy in the American market.
>
> $\mathbf{H_{1b}}$: If Danish companies perceive similarities in consumer tastes and preferences (assertiveness, uncertainty avoidance, power distance, in-group collectivism and gender egalitarianism) in the American and Danish markets, they will be more likely to adopt a globally integrated brand management strategy.

4.2.2. Economic Environment

The economic environment affect consumer spending and buying power, therefore it is also an important indicator of operability of standardizing or customizing marketing programs (Roth, 1995). Some of the main aspects of economic environment are standard of living, employment and income levels that influence customer priorities in regards to the products that the consumers consider essential or desirable. At the same time, consumers also consider the affordability whether they are willing to pay the price or not (Jain, 1989).
One common indicator, GDP per capita, gives companies an overall assessment of a nation's income and ability to spend money on goods and services. GDP per capita is also used as an indicator of standard of living as well, with higher GDP per capita being interpreted as having high standard of living.

Another important aspect is disposable income which is the amount of resources consumers allocate to goods and services. When resources are scarce, consumers use disposable income to satisfy their basic needs, while as the income increases, the consumers are willing to spend their income on luxury things (Roth, 1995). Additionally, Rostow (1971) explained that countries in advanced stages of economic development are characterized by relatively high levels of discretionary income allocated to goods and services while countries at lower levels of development typically have low discretionary income, needed to support widespread goods and services consumption. Thus, the disposable income can be a measurement of consumers' buying power (Rostow, 1971).

In general, researchers found that countries with similar economic conditions may thus have common market characteristics, making them candidates for standardized strategy and similar advertising and positioning approaches (Jaffe, 1974;Sririam & Gopalakrishna, 1991). However, when international markets differ in national and inter-market environmental conditions, the standardization strategy is not recommended. Rather, firms should strongly consider a customization strategy (Roth, 1995).

Even though Roth (1995) found that economic conditions affected brand image strategies, Katsikeas, Samiee & Theodosiou (2006) and Vrontis, Thrassou & Lamprianou, (2003) found that the economic conditions did not predict the international marketing strategy in terms of standardization or customization. In comparison, they explain that prior research is largely abstract, the vast majority of studies do not address the overall marketing programs, but rather a single marketing element has been targeted for investigation. Furthermore, a lack of variability in the research context has resulted in insignificant findings, thus leading to wide variation in measures deployed and findings reported.

In summary, the GDP per capita and disposable income will be applied as indicators for the economic environment in the American and Danish markets. More specifically, official reports show that USA has a higher GDP per capita of $50,700, and Denmark $38,300 (CIA, 2013). Furthermore, the Gini coefficient also called "Gini index", which is a measurement of income inequality, clarifies that there is a higher level of inequality in USA than Denmark. A gini coefficient of one (100 on the percentile scale) expresses perfect equality meaning everyone has an exactly equal income and 100 maximal inequality where one person has all the income. The gini coefficient was 24.0 for Denmark and 45 for USA (The World Bank, 2012). Additionally, OECD indicates that the American average household disposable income is $38,001, which is higher than Denmark's $24,682 (OECD, 2013). Both indicators are higher in the USA than in Denmark. Therefore, from a general perspective, the three indicators jointly indicate that USA has a stronger level of economic environment than Denmark.

4.2.2.1. Subconclusion

Previous studies confirm that there are many ways to measure the economic environment influencing customers' priorities purchasing a product. However, there were mixed opinions from scholars on whether the economic environment has an effect on the international marketing management strategy or not. In this thesis, the standard of living, income levels and disposable income have been utilized to assess the economic environments in USA and Denmark. It was revealed that USA has a stronger level of economic environment according to the GDP per capita and disposable income. Accordingly, in relation to brand management strategy, we proposition that Danish companies would be more likely to implement a locally responsive brand management strategy if they decipher that the economic environment in the American and Danish markets are different. In contrast, if Danish companies perceive that there are similarities between the economic environments in the two markets, a globally integrated brand management strategy would be a likely option to be implemented in the American market. Hence, the effect of economic environment on brand management strategy is hypothesized as:

> **H_{2a}:** If Danish companies perceive differences in economic environment in the American and Danish markets, then they will be more likely to adopt a locally responsive brand management strategy in the American market.
>
> **H_{2b}:** If Danish companies perceive similarity in economic environment in the American and Danish markets, they will be more likely to adopt a globally integrated brand management strategy.

4.2.3. Competition

Several researchers found that competition is one of the important factors that companies consider when choosing an international marketing or branding strategy (Boddewyn et al., 1986; Jain, 1989; Roth, 1992; Alashban, Hayes, Zinkhan, & Balazs, 2002; Katsikeas et al., 2006). Main aspects of competition is its intensity influenced by the number of competing firms (concentration of sellers), their size, distribution, levels of product differentiation and the entry or exit condition prevailing in a particular market (Jacobson & Ander'eosso-O'Callaghan, 1996). When a market has many firms, the companies tend to fight one another and change their strategies in an attempt to gain market share, and this increases competition within the industry (Craig & Douglas, 1996). Therefore, international companies need to consider host country companies when deciding on their strategy, by assessing the level of competition in the market.

Porter (1980) noted that measure of competition can be done by indicators of industry concentration, such as the "Concentration Ratio" (CR). The CR is commonly referred to as "CR_4" which is the concentration ratio of the four largest firms, however there can also be CR of 8, 10 or 25 firms. The CR indicates the percentage of market share held by the largest firms in an industry. A high concentration ratio indicates that a high concentration of market shares is held by the largest companies, meaning that the industry is concentrated and less competitive. Whereas, a low concentration ratio indicates that the industry is characterized by many rivals, none of which has a significant market share, therefore more competitive. In other words, low market concentration is seen as 0 to 50%, medium concentration as 50 to 80%, and high market concentrations as 80 to 100% (Porter, 1991). Porter (1991) added that when the market is highly concentrated and dominated by a few firms, the market leader or leaders can impose discipline on the market through a consistent and long term strategy.

Roth (1992) noted that in more competitive markets, there is a greater risk of brand parity. For that reason, companies often strive to differentiate their brands from competitors. One important differentiation strategy stated by Crawford (1985) is product positioning which has become an increasingly important marketing tool. Aaker and Shanby (1982) stated that a company needs to identify its competition and develop a positioning strategy that achieves one or both of the following: (1) position the brand on benefits other than those offered by key competitors, and/or (2) position the brand distinct from competing brands that are positioned as doing everything well.

The presence of competition may also inspire companies to adapt its strategies in order to gain an advantage over competitors by providing a brand that more closely matches local conditions (Jain, 1989). On contrary, if the competitive position of a firm does not vary among markets, pursuing a global strategy would be an optimal option (Porter 1986). The pressure to adapt to local needs has been found to depend on the intensity of local competition. When the local competition is high, international firms will develop competitive strategies to increase their competitive edge to be in a better position to meet the needs of the local markets (Alashban et al., 2002). Douglas, Craig, & Nijssen (2001) also noted that when strong local, national, or regional competitors as well as global competitors are present in a given national or regional market, the use of a different branding structure would be deemed desirable. In addition, when markets are fully integrated and the same competitors compete in the same markets worldwide such as in aerospace, the use of global brands helps provide competitive differentiation on a global basis.

As a significant predictor of the decision to adapt or standardize products in international markets, Subramaniam and Hewett (2004) and Alashban et al. (2002) found competitive intensity influential. They stated that "because of the significant impact of market structure (competition) factors on branding strategy, they should be considered early in the branding process" (Subramaniam and Hewett, 2004; Alashban et al., 2002). However, Vrontis et al. (2003) disagreed as they found competition to be a minor predictor of adaptation or standardization marketing and branding strategies.

In summary, the intensity of competition and level of differentiation have been applied as measurement of the competition in the American and Danish markets. As it was found unfeasible to retrieve accurate data on the intensity of competition, CR_4 of both global and local companies within consumer goods market in both the American and Danish markets have been to used to provide an overview of the level of competitiveness in the two markets. Only few sub-sectors have been applied as statistics on all sub-sectors within the consumer goods market in USA and Denmark were unattainable. Based on Euromonitor International's market share reports from 2011, the calculations on CR_4 are as follows: For the confectionery sub-sector, the CR_4 was 60.02% for USA and 75.61% in Denmark. Both markets have medium concentration, but with USA's ratio being lower, it indicates that confectionary industry in USA is more competitive than in Denmark. Also, the sub-sector for milk products, specifically cheese showed that there is more competition in the American cheese sub-sector than in the Danish one as the CR_4 ratios are 42.92% for USA (low concentration) and 62.54% for Denmark (high concentration). The CR4 for other four industries: sportswear, footwear, apparel, and clothing accessories also suggest low concentration ratios in the two markets, but in comparison, the ratios in all the four industries were lower in the American market than Danish market indicating that these industries in the American market are more competitive than in the Danish market.

4.2.4.1. Subconclusion

In order to operate successfully in another market, it is important to understand the competitive market structure so as to adopt the best strategy. While, there is the pressure to standardize marketing strategies due to the fact that firms can leverage from market similarities, the pressure to localize increases competitiveness in the local markets. Furthermore, there were mixed opinions from scholars on whether the competition has an effect on the international marketing management strategy or not. In this thesis, the intensity of competition and level of differentiation have been utilized to assess the level of competition in USA and Denmark. According to the CR_4 ratios, it shows that the American market generally has low concentration, therefore higher level of competitiveness than the Danish market. Previous studies clarify that international companies need to consider host country firms and global firms when deciding on their marketing strategy in the respective market. In relation to brand management strategy, it is hypothesized that Danish companies would be more likely to implement a locally responsive brand management strategy if they perceive that the competition in the American and Danish markets are different. In contrast, if Danish companies perceive that there are similarities between the competition in the American and Danish markets, a globally integrated brand management strategy would be a likely option to be implemented in the American market. Thus, the effect of competition on brand management strategy is hypothesized:

> **H_{3a}:** If Danish companies perceive differences in the intensity of competition in the American and Danish markets, they will be more likely to adopt a locally responsive brand management strategy in the American market.

> **H_{3b}:** If Danish companies perceive similarities in the intensity of competition in the American and Danish markets, they will be more likely to adopt a globally integrated brand management strategy

4.3. Conceptual Framework

In order to understand the theories, concepts and variables adopted for our thesis, we have developed a conceptual framework indicated below.

The theoretical foundation of the conceptual framework is provided by the I-R framework. The I-R framework asserts that managers' decision to adopt a globally integrated, locally responsive or multifocal strategy in different business environments depends on their perception and judgment of market forces or business environment. Thus, the conceptual framework indicates that the Danish companies brand management strategy decision would depend on their perception of the three marketing conditions of consumer tastes and preferences, economic environment and competition in the two markets. This means that if the market conditions are perceived as pressures for global integration, a globally integrated brand management strategy will be adopted across the two markets; and if the market conditions are perceived as pressures for local responsiveness, a locally responsive brand management strategy will be adopted respectively for the American and the Danish market. As illustrated on the model below, brand management strategy is influenced by the market conditions, therefore making it a dependent variable while marketing conditions are the independent variables.

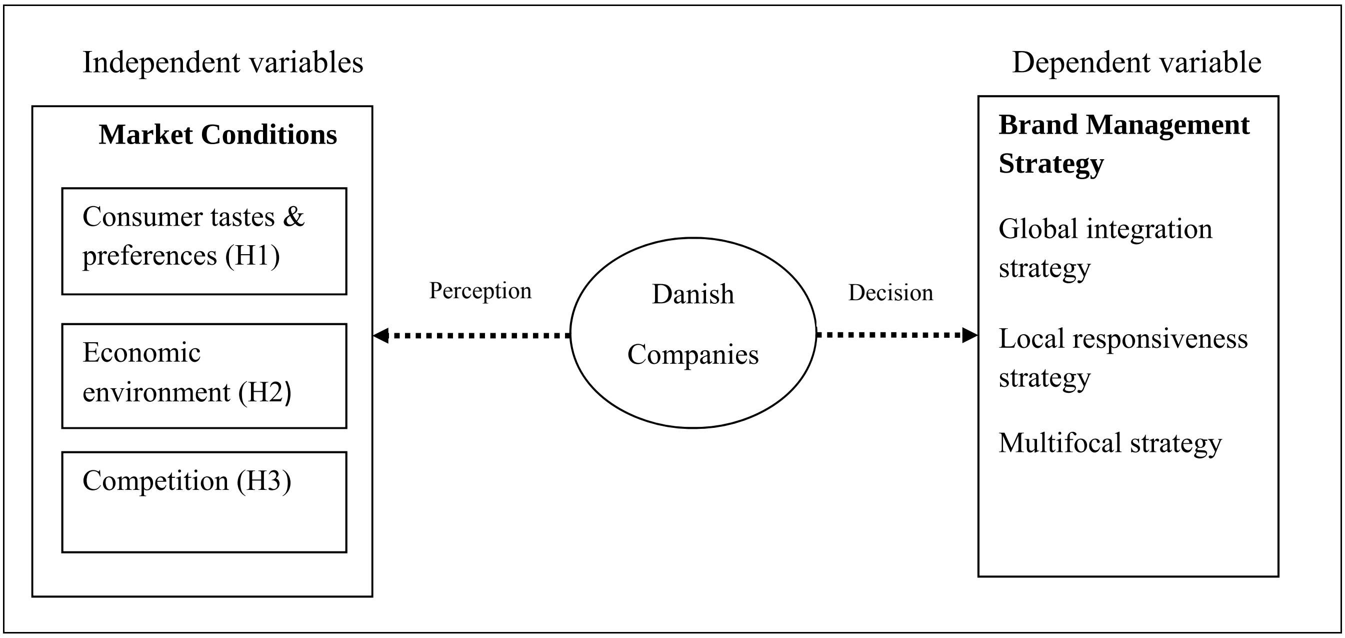


Fig 6: Conceptual Framework (Source: Madsen & Trinh, 2013)

5. Methodology

The methodology section will explain all the procedures that have been undertaken in doing our search for knowledge. It will serve as the credibility of our research in how the data has been collected and analyzed and also indicate the validity, reliability and triangulation of the data. As a starting point, the research philosophy will be explained, followed by the research method, research design, research strategies, sampling strategies, data collection, empirical data, methods of data analysis and research ethics.

5.1. Research Philosophy

Researchers state that when conducting a research, it is important to reflect on ontology and epistemology because they can influence the way a research is undertaken. According to Blaikie (1993), the root definition of ontology is “the science or study of being”. It refers to a researcher’s assumptions about how he/she sees the world, for example, the world consists mostly of social order or radical change. In other words, oncology describes a researcher’s view on the nature of reality, which can be a subjective or objective view that he/she has created in the mind (Bhattacherjee, 2012; Blaikie, 1993). The objective ontology portrays the position that social entities exist in reality external to social actors. While, the subjective ontology is that social phenomena are created from the perceptions and consequent actions of social actors (Saunders, Lewis, & Thornhill, 2007). Blaikie defines epistemology as “the theory or science of the methods or grounds of knowledge” (Blaikie, 1993). In addition, Burrell and Morgan (1979) state that epistemology refers to a researcher’s assumptions about the best way to study the world, for example, using an objective or subjective approach (Bhattacherjee, 2012). Eriksson and Kovalainen (2008) explain that an objective epistemology presumes that a world exists which is external and theory neutral, whereas a subjective epistemological presumes that access to the external world beyond people’s own observations and interpretations is impossible. Saunders et al. (2007) highlighted that certain researchers argue that data collected from objects that exist separate to the researcher is less open to bias and therefore more objective, and that if social phenomena are studied, these must be presented in a statistical, rather than narrative form in order to hold any authority, a position that many researchers would challenge. On the other hand, Blaikie contends that since social research involves so many choices, the opportunity for a researcher’s values and preferences to influence the process makes it difficult to ultimately achieve true objectivity (Blaikie, 1993).

In this research, the objective ontological perspective has been adopted because the surroundings or environment of our study exists external to the social actors. This means that from our view, the market conditions exist in both Denmark and the USA markets, and it is within these environments that the Danish companies make their brand management decisions. Therefore, the two markets have an environmental reality that is separate from the Danish companies that live in this reality. On the other hand, we have adopted a subjective epistemological approach in order to be able to explore Danish companies' subjective observations and meanings of the external world that ultimately motivate their brand management strategies. Though, this approach will enable us to understand their actions, it has to be acknowledged that the research will to a large extent be limited to the observations of our respondents.

There are different research philosophies that have been developed based on ontological and epistemological positions. These philosophies of science indicate how research should be conducted based on theory (reasoning) and observations (data or information) and both theory and observations are related. The earliest philosophy is positivism, followed by interpretivism and the last one is realism, which integrates the principles of the two previous philosophies (Blumberg, Cooper, & Schindler, 2011; Saunders et al., 2007).
Positivism holds that science or knowledge creation should be restricted to what can be observed and measured (Bhattacherjee, 2012). According to positivism, knowledge develops by investigating the social reality through observing objective facts. Positivism has three basic principles: 1) the social world exists externally and is viewed objectively; 2) research is value-free; and 3) the researcher is independent, taking the role of an objective analyst. When researchers base their research on positivism, they operationalize the concepts to allow quantitative measurement of facts, due to the fact that the social world can be reduced to simple elements (Blaikie, 1993; Eriksson & Kovalainen, 2008; Blumberg et al., 2011). According to Saunders et al., in positivism researchers prefer working with an observable social reality and that the end product of such research can be law-like generalizations similar to those produced by physical and natural scientists (Saunders et al., 2007). However, based on positivism, human thoughts and emotions could not be directly measures and they were not considered to be legitimate topics of scientific research (Bhattacherjee, 2012). This led to interpretivism or post-positivism which posits that the social world cannot be understood by applying research principles adopted from the natural sciences. The basic three principles of interpretivism are: 1) the social world is constructed and given meaning subjectively by people; 2) the researcher is part of what is observed; and 3) research is driven by interest (Blumberg et al, 2011). The researcher therefore focuses on understanding the meanings and interpretations of 'social actors' and their world from their point of view. Therefore the research within this philosophy is highly contextual and hence is not widely generalizable (Saunders, Lewis, & Thornhill, Research Methods for Business Students, 4th ed., 2007). However, one can make reasonable inferences about a phenomenon by combining empirical observations and logical reasoning and taking steps to reduce bias in the research (Bhattacherjee, 2012). The last philosophy

is realism, which shares the principles of both positivism and interpretivism. Realism is based on the idea that real structures exist independent of human consciousness, knowledge is socially created and that knowledge of reality is a result of social conditioning (Saunders et al., 2007). According to Blaikie (1993), realism accepts that reality may exist in spite of science or observation, and so there is validity in recognizing realities that are simply claimed to exist or act, whether proven or not. Similar to positivism, realism exponents believe that social sciences can adopt research approach dominant in natural science. At the same time, the commonality with interpretivism is that, realism concedes that understanding people and their behavior requires acknowledgement of their subjectivity (Blumberg et al., 2011). According to the realists' way of viewing the world, there are social mechanisms and structures at the macro level that are beyond the control of humans, which affect people's beliefs and behavior while at the level of the individual human beings (micro level), subjective individual interpretations of reality are important for a full understanding of what is happening. Furthermore, most realists accept that these interpretations are not unique and that people share similar interpretations, partially because the external forces at the macro level influence everyone. Therefore, during a research, the identification of external forces describing general forces and processes influencing human is required, as well as the investigation of how people interpret and give meaning to the setting they are situated in (Blumberg et al., 2011; Saunders et al., 2007).

For this research, the realism philosophy of science was applied because we nether aimed at developing law-like generalization nor immersing ourselves, as researchers, on what is being observed. The primary purpose of our study is to enquire the individual company' perspectives of the market conditions, how these conditions affect their brand management decision in the American consumer goods market, and interpreting the findings in the context of the I-R framework. Accordingly, from the realism point of view, the interest is to understand the companies' subjective interpretations that relate to the brand management decision in the context of the social structures constituted by the market conditions. Consequently, we hypothesized and operationalized the concepts in order to measure them; but at the same time acknowledged that there was some subjectivity from the respondents. This signifies that while statistical analysis of the findings was carried out, there was some level of biasness, and therefore establishment of absolute truth was not possible.

5.2. Research Method

There are principally two research methods that a researcher can use: deductive and inductive. Deductive approach is defined as testing an existing theory, while inductive approach is building a theory (Saunders et al., 2007). When researchers apply the deductive approach, they use new empirical data to test certain concepts and patterns known from a theory, while applying the inductive approach, they infer theoretical concepts and patterns from observed data (Bhattacherjee, 2012). In our research, the deductive approach was applied seeing we were testing a combination of existing theories such as the I-R framework and GLOBE study.

5.3. Research Design

The purpose of a research design is to provide a plan of study that permits accurate assessment of cause and effect relationships between independent and dependent variables. In addition, it answers the questions being investigated, extraneous factors are controlled and the degree of generalization that can be made is valid (Saunders et al., 2007).

As our research investigates how Danish companies in the American consumer goods market perceive the three market conditions of consumer tastes and preferences, economic environment and competition in the American market in comparison to the Danish market, and how they influence their brand management strategy, it is primarily an exploratory study aiming at finding out how the chosen three market conditions influence the Danish companies' brand management strategy in the two markets. According to Robson (2002), exploratory study aims at finding out "what is happening; to seek new insights; to ask questions and to assess phenomena in a new light". Exploratory is particularly useful for clarifying the understanding of a problem, such as if one is unsure of the precise nature of a problem (Saunders et. al., 2007). To a certain extent, the study is also descriptive as it provides information on the Danish companies' branding strategies in the American market, the market conditions influencing the strategies and also involves an assessment of the interaction of two or more variables (Blumberg et al., 2011).

5.4. Research Strategies

Turning the attention to research strategies, the survey strategy has been adopted for conducting this research. The survey strategy is associated with the deductive approach and is most frequently used to answer who, what, where, how much and how many questions and it therefore tends to be used for exploratory and descriptive research (Saunders et al., 2007). The reasoning behind this choice of strategy is based on the fact that this strategy will enable us to collect a reasonably large amount of data from the target population of Danish companies in the American consumer goods market and by using semi-structured interview questionnaires, it will be easier to compare the responses. Saunders et al., (2007) noted that surveys are popular as they allow the collection of a large amount of data from a sizeable population in a extremely economical way and by administering a questionnaire these data are standardized, allowing easy comparison. The survey strategy also allows the collection of quantitative data which can be analyzed quantitatively using descriptive and inferential statistics and the data collected using a survey strategy can be used to suggest possible reasons for particular relationships between variables and to produce models for these relationships. Additionally, using sampling methods make it possible to generate findings that are representative of the whole population. For this research, the quantitative data was collected and the findings after the analysis would be generalizable to a limited degree - only in respect of the Danish companies and the American consumer goods market. Nevertheless, its drawback is that it is not as wide-ranging as other research strategies and there is a limit to the number of questions that can be asked (Saunders et al., 2007). Consequently, there were only few open-ended questions in the interview questionnaires, and this meant that only few of the questions asked were elaborated.

Furthermore, the emphasis of the research as a quantitative study was adopted as it provides a valuable means to collect large amount of data and allow statistical analysis and comparison of data to be carried out(Saunders et al., 2007; Blumberg et al., 2011; Bhattacherjee, 2012). The qualitative study was also applied to a small extent by the elaborated comments from the 22 interviewees. These methods were employed in order to triangulate the data collected and strengthen the reliability.

5.5. Sampling Strategies

Selecting a sample to interview is a much more purposeful way to collect data as it is unfeasible to collect data from an entire population because of constraints in budget and time (Saunders et al., 2007). Henry (1990) argues that using sampling provides a higher overall accuracy than a census. By selecting a smaller number of cases, there is more time to spend on designing and managing the means of collecting this data. Collecting data from fewer cases also allow more detailed collection of information (Saunders et al., 2007).

In our research, the complete set of sampling was collected from June 12th to August 31st. The total number of samples consists of 22 Danish companies with presence in the American market. As the focus is on the consumer goods market in the US, the companies included the following industries or sub-sectors: beauty products, food, hearing instruments, design furniture and interior, homeware, jewelry, toys and electronics.

In regards to sampling technique, the purposive sampling technique which is one of the non-probability sampling methods was chosen. Non-probability sampling is subjective as it involves selecting case studies that match the criteria of a research, and probability sampling is objective as it is based on the concept of random selection (Saunders et al., 2007; Blumberg et al., 2011). The purposive sampling, also commonly called judgmental sampling, enables researchers to use their judgment to select cases that will best enable them to answer their research question and to meet their objectives (Saunders et al., 2007). This sampling technique was adopted for this thesis as it was an important criterion that the selected sample consisted of Danish companies within the consumer goods market and with brand management strategies both in the USA and in Denmark. Therefore, Danish companies that are only present in the USA market with no brand management strategies could not qualify for the sample as they do not provide the international aspect of global, local or multifocal brand strategies. In other words, by choosing the purposive sampling technique, there will be an increased chance of meeting the research objective as the qualified participants that met the required criteria for the purpose of our study were carefully chosen. On the other hand, even though the sample is intended to represent the total population, it can be biased. For example, it could be that the companies with globally integrated brand management strategies are over-represented than the companies with locally responsive brand management strategies, therefore resulting to a flaw in the findings. Furthermore, the application of the non-probability samples affects external validity of a research. Validity is the extent to which data collection method or methods accurately measure what they were intended to measure (Saunders et al., 2007). Consequently, this means that the analysis for Danish companies within the consumer goods market in USA and the observed findings and generalizations would not apply to other markets. Nevertheless, the advantage of this type of sampling is its availability and quickness in which data can be collected and this is why it has been used widely (Saunders et. al, 2007).

5.6. Data Collection

The below section elaborates the reasoning behind the collection of the empirical and theoretical data in which the utilized methods consist of both primary and secondary data.

5.6.1. Primary Data vs. Secondary Data

Primary data results from empirical testing, transcripts of interviews, surveys and recorded observations in which the data collected have been specifically designed to answer the research question, while secondary data includes studies conducted by others and for different purposes than for which the data have been reviewed and reused (Blumberg et al., 2011). The advantages of primary data collection include targeted issues are addressed, data interpretations is better and it is the most current data. However, collecting primary data is time consuming. Alternatively, secondary data is used as it provides a great saving in resources especially time and money (Ghauri & Gronhaug, 2004). However, the limitations of the secondary data are that it has been collected for a different purpose; therefore it is important to evaluate the secondary data sources and ensure its measurement validity and coverage of data (Saunders et al., 2007). In addition, it is important to consider the reliability of secondary data. Reliability is a degree to which the measure of a construct is consistent and dependable and the reliability of secondary data can be increased by using different information sources (Blumberg et al., 2011). Nevertheless, it is less expensive to use secondary data than to collect the data ourselves, instead more time and effort into analyzing and interpreting the data will be possible.

In this research, the sampling of the 22 interviewed Danish companies is the primary data. The primary data from the 22 Danish companies was collected based on a survey strategy as this was accepted to be a better way to increase the number of samples for carrying out comparisons and therefore, for our research to gain more validity and reliability (Yin, 2009). In addition, primary data also included interviews with organizations such as Danish American Business Forum

(DABF), Danish Industry (DI) and a brand consultant from Brand Emphasis USA, in order to provide their expert view on the Danish companies' branding and the market conditions in the American market. Interviews from the experts were deemed a good strategy for enriching the primary data collected from the main respondents (Blumberg et al., 2011). Secondary data was collected to provide an overview of the topic and detailed literature review of what has already been done in our subject of interest. The secondary data comes from accredited and reliable sources in journals as "Journal of International Marketing", "Journal of General Management" and "Journal of International Business Studies"; articles from "Harvard Business School" and "The Economist"; books from recognized marketing and branding scholars as Aaker, De Chernatony, Kapferer, Keller and many more. Also, the statistics applied have been adopted from official government sites as "Central Intelligence Agency", "OECD" and "US Census Bureau". Furthermore, using both primary data and secondary data was useful in order to triangulate the data for this research. Therefore, by merging these multiple sources of data, we were able to find supporting evidence and create a must richer data set and this has increased the validity and reliability of the findings of this research (Saunders et al., 2007; Blumberg et al., 2011).

5.6.2. Empirical data

In this section, the collection of the empirical data involved developing the right research instrument and utilizing a reliable data collection method.

5.7. Research Instrument

The research instrument is an important component of the research design because it is used to gather and collect data. For this research, an interview questionnaire was preferred over an ordinary questionnaire because it was a better tool for collecting in-depth information from managers and directors responsible for branding management strategies in the American market. The interview questions starts with introducing briefly the research and its purpose and providing the respondents the opportunity of anonymity and confidentiality when needed. Furthermore, the questionnaire has been divided into three sections in which the first one deals with personal details about the respondents. The personal details specify the respondents and their companies' number of years of experience in the American market. Thereafter, the second section is about the companies' branding in which the respondents have been asked about their companies' brand management strategy, brand values and brand image. The third and last part is about the general market conditions where the respondents have been asked about their perception of the consumers' tastes and preferences, economic environment and competition in the American and Danish market. The Danish market has been included as a point of comparison of how they are conducting their general brand management strategies in their head office.

The questionnaire consists of both open-ended and closed-ended questions. The open-ended questions were to allow the interviewees to define and describe a situation and encourage them to provide extensive answers, whereas the closed-ended questions have been used to obtain specific information or to confirm a fact (Saunders, et al., 2007). In addition, the close-ended questions included the numeric rating scale of seven-point. This kind of rating scale uses numbers as response options to identify and record the respondent's response. In this way, it would provide both an absolute measure of importance and a relative measure (ranking) of the various items rated (Blumberg et al., 2011). A research instrument's reliability for a research may be threatened by personal and situational factors that may result to error and biasness (Blumberg et al., 2011). Therefore, in order to ensure the reliability of the questionnaire, it is also necessary to test it as respondents may consistently interpret a question in the questionnaire in one way, while the meaning is something else. For this reason, a group of people from different academic backgrounds such as marketing, human resources and branding tested the questionnaire until it produced consistent findings. The reason for the wide selection of test people is based upon the actual respondents varying from branding managers to export managers to executive directors. In this way, the questionnaire could be understood by everyone in spite of their professional background.

5.8. Conducting the Interviews

The empirical data was collected by the use of face-to-face and telephone interviews, which are non-standardized and conducted in a semi-structured manner in order to gather in-depth data of the companies' brand management strategy and understanding of the two markets. The main advantages of the face-to-face interviews enables us, the researchers, to elaborate the questions when necessary, clarify doubt and ensure that the responses were properly understood by repeating or rephrasing the questions. In addition, it is possible to pick up non-verbal cues from the respondents such as problems or stress detected through the body language (Saunders et al., 2007). The face-to-face interviews were conducted semi-structured as a list of questions had to be covered. At the same time, it allowed the interviewees to divert and allow new ideas to be brought up during the interview as a result of what the interviewee said. Additionally, the interviews were structurally conducted as there was a framework of themes to be explored. When inquiring the interviewees, it was also considered that the questions should be read exactly as written and in the same tone of voice. Consequently, it does not indicate any favoritism. Nevertheless, this way of interviewing provides a range of advantages such as being skeptic towards the respondents' statements and enabling the researcher to question the subject by confirming the hypothesis about the respondents' beliefs. This method also allows elaborated answers on certain subjects and the interviewees can incorporate different perspectives on a particular topic. The drawback of the method is that it is a time-consuming process because it does not only require more time to collect the data but also to analyze the responses (Saunders et al., 2007). These interviews were recorded and the respondents' answers were written down, which gave the opportunity to review in case of missed information.

The telephone interviews' main advantage was the possibility to cover the long distance between us and the respondents of the companies located in the US. Another advantage of interviewing this way, it enables us to evaluate on the situation from our point of view as it would also eliminate any discomfort that some respondents would experience in disclosing personal information over the phone than face-to-face (Saunders et al., 2007). In order to ensure that our respondents would not unilaterally terminate the interview without warning or explanation by hanging up the phone, we minimized this type of no response by calling the interviewees ahead of time to request participation in the interview, giving an approximate idea of how long the interview would last and setting up a mutually convenient time. On the other hand, the disadvantage of the telephone interview is that it is not possible for the researchers to see the respondents' non-verbal communication (Saunders et al., 2007). In order for us to analyze the telephone interview as best as possible, we recorded the interviews and wrote down the respondents' answers. Again, this gave us the possibility to review the recordings in case we missed some information. Similarly to the face-to-face interviews, the telephone interviews were conducted as semi-structured. Therefore, the same advantages and disadvantages apply to the telephone interviews as well (Saunders et al., 2007). While conducting face-to-face and telephone interviews, it is crucial to be aware that there could be some threats to validity such as the background of the interviewee, preconceived opinions and the stakes and interests the interviewee might have in the issues discussed (Saunders et al., 2007). At the same time, in semi-structured interviews, the interviewee could easily take over the agenda and structure the interview in his/her favor. However, this was minimized by sending the questions in advance to the interviewees, clarifying the purpose of the research and adhering, as much as possible, to the specific questions during the interviews. Moreover, conducting semi-structured interviews involving standardized questions resulted to increased consistency in the data collected and thus improved reliability.

5.9. Methods of Data Analysis

According to Churchill Jr. and Iacobucci (2002), the purpose of an analysis should be to obtain meaning from collected data and should present findings which are easily understood and relevant to the objective of the study (Yin, 2009). Similarly, Yin (2009) stated that analysis should consist of examining, categorizing, tabulating or recombining empirical findings to address the initial research propositions of the study. It is also important for researchers to develop a strategy that will ensure that the ultimate goal is to treat the evidence fairly, to produce compelling analytic conclusions and to rule out alternative interpretations (Yin, 2009).

In order to make the data comprehensible, data handling involved categorizing, itemizing and coding. This action was specifically applied for quantitative data to ensure that the data was in a more manageable and comprehensible form for the analysis and could be entered into a spreadsheet and the statistical program, SPSS. For qualitative data, open coding was used. Open coding is the process of breaking down, examining, comparing and categorizing data. This process of coding yields concepts hidden within textual data, which are potentially related to the phenomenon of interest (Yin, 2009; Blumberg et al., 2011; Bhattacherjee, 2012). During data collection, qualitative information was collected when Danish companies further explained their brand management strategies. Consequently, by applying open coding, we were able to categorize this information into concepts that were grouped together for comparison and interpretation.

Furthermore, different statistical measures were applied in data analysis. Since the last century, many social science researchers have been struggling with the problem of how best to analyze ordinal data. Generally, multivariate analysis and general linear models have been applied to variables that measured on a continuous scale. However, many researchers such as Kim (1971, 1975), Allan (1976) and O'Brien (1979a), have claimed that multivariate methods that have been used for continuous variables should be used for ordinal variable, because the power and flexibility gained from these methods outweigh the small biases that they may entail. On the other hand, researchers such as Somers (1974), Smith (1984) and O'Brien (1982) among others claim the biases from using multivariate methods are large, and all multiple regression techniques can only ascertain relationships, but never be sure about underlying causal mechanism (Winship & Mare, 1984). Acknowledging the limitations of applying multivariate method, multiple regression was found applicable for this research. Additionally, descriptive statistics such as frequencies, cross-tabulations and correlations that provide simple summaries about the sampled companies and about the observations that have been made have been used. Cross-tabulations are used to summarize categorical data to create a contingency table and enables the examination of interdependence between the variables (Saunders et al., 2007). Correlation analysis is used to discover the magnitude and direction of relationships between the variables and a correlation matrix is used to display coefficients of more than one variable (Blumberg et al., 2011). Moreover, internal consistency was tested using Cronbach's Alpha coefficient, which is a commonly used measure of reliability and often applied for multi-item scales. Internal consistency is a characteristic measurement in which an instrument measures consistency among responses of a single respondent and assesses the homogeneity among the multi-scale items in the instrument (Blumberg et al., 2011; Bhattacherjee, 2012). Hypothesis testing was done by making use of p-value at a significant level (α) of 0.05 (Blumberg et al., 2011; Bhattacherjee, 2012). This means, if the probability of the test statistic or one more extreme having occurred by chance alone is very low (usually p=0.05 or lower), then there is a statistically significant relationship. Statisticians also refer this as rejecting the null hypothesis and accepting the alternative hypothesis, often abbreviating the terms null hypothesis to H_0 and alternative hypothesis to H_1. Consequently, rejecting a null hypothesis will mean rejecting a testable statement and accepting a null hypothesis will mean accepting a testable statement. If the probability of obtaining the test statistic or one more extreme by chance alone is higher than 0.05, then you can conclude that the relationship is not statistically significant. Statisticians refer to this as accepting the stances, but the conclusion cannot be made with certainty (Saunders, Lewis & Thornhill, 2007). Finally, for the interpretation of these findings, the theoretical framework was relied upon, while the literature review was also used as a guide towards answering the research objective.

5.10. Research Ethics

"Research ethics" relates to how researchers formulate and clarify the research topic, design the research and gain access, collect data, process and store data, analyze data and write up the research findings in a moral and responsible way. This means that researchers have to ensure that the research design is both methodologically sound and defensible to all those who are involved (Saunders et al., 2007; Yin 2009; Blumberg et al., 2011).

In our research, when collecting the empirical data, we ensured the ethical treatment of participating companies by stating the purpose of the study and the benefits that this study will generate. Additionally, the confidentiality and anonymity of the participants was also available upon request to ensure the protection of the participants' privacy. The participants, who consented to take part in the research, were in their rights to decline to take part in particular aspect of the research or to withdraw as a participant altogether. In this way, no harm or intrude on their privacy will go beyond the scope of the access agreed. During data collection and analysis, the maintenance of objectivity was enforced in order to avoid misrepresentation of the data collected as lack of objectivity will distort the data and conclusions. Also, during the analysis, the ethical protection of confidentiality and anonymity was applied. None of the participating companies' representatives were identifiable unless they consented and authorized us to use their names.

5.11. Subconclusion

As mentioned earlier, the methodology serves as the credibility of our research on how the data has been collected and analyzed. As follows, the applied methods will be briefly summarized. For the research philosophy, the objective ontological perspective and subjective epistemology have been adopted because the surroundings of our study exist external to the social actors and the respondents' subjective observations and meanings were explored. Furthermore, the realism philosophy of science was applied because the purpose is to understand the companies respondents' subjective interpretations that relate to the brand management decision in the context of the social structures constituted of the market conditions. In terms of research methods, the deductive and explanatory approach have been taken as the research is based on existing theories such as the I-R framework and GLOBE Study - aiming at explaining the correlation between the market conditions and the companies' brand management strategies. When considering research strategies, the qualitative approach was deemed applicable considering it enabled an in-depth and full understanding of the subject. Consequently, the case studies were also applied because it provided a rich understanding of the context as a group of Danish companies have been selected for a comprehensive analysis of the research question. The selection of the Danish companies was not randomly selected but they were sampled according to the purposive non-probability sampling principles. This means that the interviewed companies were selected on the basis of following criteria: They had to be Danish companies within the consumer goods market and have a brand strategy in the American market as well as in the Danish market. In this way, the participants with the right criteria for the purpose of our study were reached, thereby increasing the chance of meeting the research objectives. Combining the primary and secondary data was also useful in order to triangulate the findings and provide more reliability to the data collected. Moreover, conducting the interviews with the company respondents, the face-to-face and telephone interviews were used. The face-to-face interviews have mainly been conducted with the respondents that were in Copenhagen, while telephone interviews have been a convenient method seeing our respondents were located outside Copenhagen and in the US market. Furthermore, interpreting the collected data involved the application of statistical analysis methods of correlation analysis, discriminant analysis and hypothesis testing in order to demonstrate the relationship between the studied variables and the reliability of the participants' responses was tested using Cronbach's Alpha coefficient. In regards to research ethics when conducting the interviews, the respondents were offered confidentiality, anonymity and maintenance of objectivity in order to reduce any possible ethical issues.

More importantly, the advantages and disadvantages of the applied methods have been discussed. By being aware of the possible drawbacks of the applied methods, we made an effort to reduce the limitations of these methods by combining and extending on them in order to strengthen and increase the reliability and validity of this research.

6. Data Overview

A short overview of the Danish companies' responses to the various questions asked will be provided in order to have a general idea of how they perceive the market conditions in the two markets. Following overviews will be provided: overview of the company interviews, frequencies, correlation, multiple regression, hypotheses and reliability.

6.1. Overview of the Company Interviews

The company interviews were carried out from June to August 2013 with a total number of 22 Danish companies within the American consumer goods market. Additionally, three experts from Danish Industry, Danish American Business Forum and Brand Emphasis were interviewed to provide their general points of view in the American consumer goods market. The companies came from different sub-sectors: beauty products, confectionary, design furniture, electronics, food, hearing aid instruments, jewelry, home interior, shoes and toys. The best represented sub-sectors are in design furniture (6 out of 22 companies) and in home interior (4 out of 22 companies). Furthermore, half of all the interviewed Danish companies are family-owned businesses.

The average number of years of experience that the Danish company respondents have is approximately 7 years with one respondent working for 25 years for the company as the longest and 1 year and 4 months as the shortest. Looking further into how long the respondents have been in charge or worked in the American market, the average number of years of experience is approximately 5 years with one respondent having worked for 20 years as the longest and 1 year as the shortest. On the other hand, the Danish companies have been in USA for an average of approximately 22 years with the longest being 80 years and the shortest 2 years.

The first part of the interviews was about the companies' brand management strategy.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	**Global Strategy**	6	27,3	27,3	27,3
	Slightly Global Strategy	5	22,7	22,7	50,0
	Slightly Local Strategy	6	27,3	27,3	77,3
	Local Strategy	5	22,7	22,7	100,0
	Total	22	100,0	100,0	

Table 3: Brand Management Strategy

It showed that there was no strongly preferred brand management strategy by the 22 companies. When crosschecking the adopted brand management strategies with the industry type, it again showed that there were no preferred brand management strategies for the respective industries.

	Similar in both markets	Different in both markets
Core Brand Values	86%	14%
Extended Brand Values	82%	18%

Table 4: Brand Values

The respondents were also asked about the difference in the companies' core brand values between USA and Denmark and majority rated that both core and extended values were similar in both markets.

	Similar in the two markets	Different in the two markets
Brand positioning	63%	31%
Consumer brand perception	50%	50%

Table 5: Brand Positioning and Consumer Brand Perception

The respondents were also asked about the companies' brand positioning, and they rated that majority of Danish companies' position similarly in the two markets, but the ratings for consumers brand perception were equally divided between similar perception and different perception.

	American Market		Danish Market	
	More Emphasis	Less Emphasis	More Emphasis	Less Emphasis
Functional Brand image	54.5%	40.9%	40.9%	50%
Social Brand Image	45.5%	45.5%	59.1%	22.7%
Sensory Brand Image	63.6%	27.3%	63.6%	22.7%

Table 6: Brand Image

For the questions on brand image, the companies rated that they emphasize sensory brand image in both markets. Additionally, they emphasize a functional brand image in the American market and a social brand image in the Danish market.

The companies were also asked about their market share and brand performance relative to company's goals in order to measure how the companies were doing both in the American and Danish market.

The majority (89.5%) rated that their market share in US ranges from 1-14%, while 10.6% answered that they have more than 14% market share in the American market. The companies' brand performance relative to company's goals showed that 66.7% did relatively well for their brand performance relative to the company's goal, while 23.8% did not meet their goals. Cross-checking the Danish companies' market share in USA and brand performance relative to company's goal can indicate the successfulness of their brand strategy. It shows that having a low market share does not necessarily mean that the companies are underperforming. In fact, there are 10 companies who have reached more of their companies' goals with a market share of 1-14%. Only two companies have a market share over 1-14% with greater brand performance relative to company's goal, this may point to the fact that they are being successful in the American market.

6.2. Frequencies Overview

The frequencies overview below will be provided to demonstrate how the Danish companies perceive consumer tastes and preferences, economic environment and competition in the two markets.

6.2.1. Consumer Tastes and Preferences

Consumer tastes and preferences comprise of the five cultural dimensions: assertiveness, power distance, in-group collectivism, uncertainty avoidance and gender egalitarianism. The frequencies have been computed based on the respondents' ratings for each dimension for the two markets, and to substantiate these frequencies, the mean score of the two questions asked for each cultural dimension have been categorized as "cultural dimension index". In this way, comparable perception of the two markets could be done more objectively.

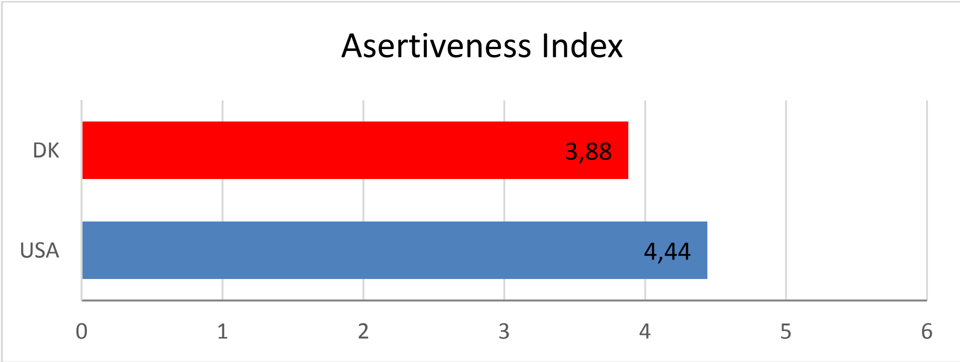
6.2.1.1. Assertiveness (ASS)

Assertiveness was evaluated based on two questions. Danish companies were asked to which extent they perceive target consumers to be aggressive and confrontational in expressing themselves while dealing with others. Additionally, they were asked to which extent they perceive the target consumers communicate directly to each other. The respectively high and respectively low ratings were as follows:

	American Market		Danish Market	
	High	Low	High	Low
Aggressive and confrontational	47.6%	42.9%	19.1%	62.0%
Communicate directly	52.3%	33.3%	52.3%	38.1%

Table 7: Assertiveness

The frequencies show that the consumers in the American market are more aggressive and confrontational compared to the consumers in the Danish market, however when communicating directly consumers in both markets have high ratings. In combination, the questions indicate more assertiveness in the American market. These frequencies have been substantiated by the cultural dimension index, which indicates that the index is 4.44 for the consumers in the American market and 3.88 for the consumers in the Danish market, confirming that Danish companies perceive consumers in the American market to be more asserive than consumers in the Danish market.



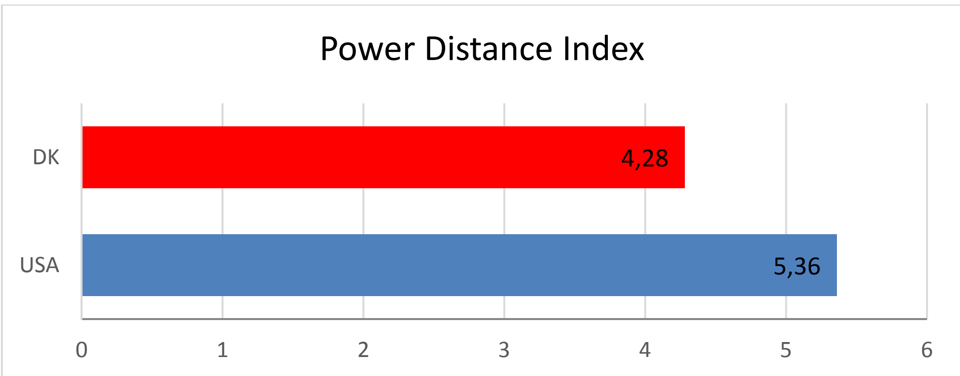
6.2.1.2. Power Distance (PD)

For power distance, Danish companies were asked two questions. The first one was to which extent they perceive their target consumers to use brands to demonstrate their social status. Secondly, they were asked to which extent they perceive that their target consumers emphasize the importance of power and wealth in their societies. The respectively high and respectively low ratings were as follows:

	American Market		Danish Market	
	High	Low	High	Low
Use brands to demonstrate social status	71.3%	14.3%	57.1%	23.8%
Emphasize power/wealth	85.7%	9.6%	38.1%	42.9%

Table 8: Power Distance

By summing up the ratings for the two questions, the indication is that consumers in the American market has more power distance than consumers in the Danish market. The frequencies were validated by the cultural dimension index, which confirms that USA (5.36) has higher power distance than Denmark (4.28).



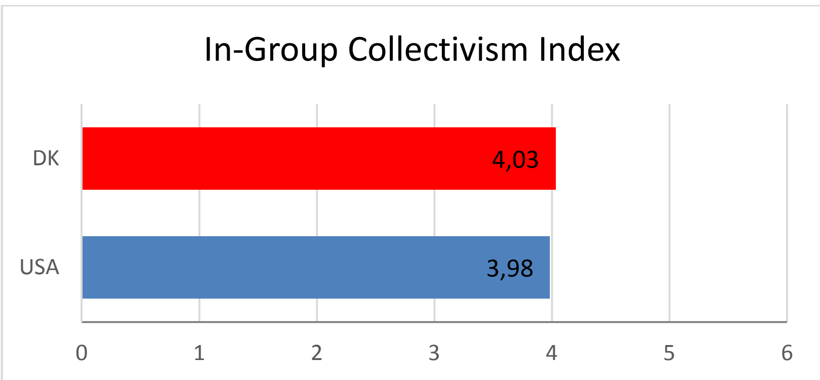
6.2.1.3. *In-group Collectivism (IGC)*

Similar to the first two dimensions, two questions were used for this dimension. In the first question, the aim was to find out how Danish companies perceive self-actualization for their target consumers in the two markets. In the second question, the respondents were asked to what extent their target consumers are influenced by family and in-group members when purchasing. The respectively high and respectively low ratings were as follows:

	American Market		Danish Market	
	High	Low	High	Low
Self-actualization	66.7%	19.1%	66.6%	14.3%
Family & in-group influence	19.0%	57.1%	23.9%	57.2%

Table 9: In-group Collectivism

Frequencies for the first question indicated that self-actualization was comparably high between the Danish and American consumers meaning they are both low in in-group collectivism. For the second question, the consumers in both markets are less influenced by family and in-group members, meaning that there is low in-group collectivism. Upon generating the cultural dimension index to substantiate these frequencies, Denmark scored 4.03 and USA 3.98, which signifies that Danish market is more in-group collectivistic than the American market. Nonetheless, the difference in the perception of this dimension in the two markets is inconsequential. In summary, these results indicate that Danish companies perceive in-group collectivism to be the same among the consumers in the American and Danish markets.



6.2.1.4. *Uncertainty Avoidance (UAI)*

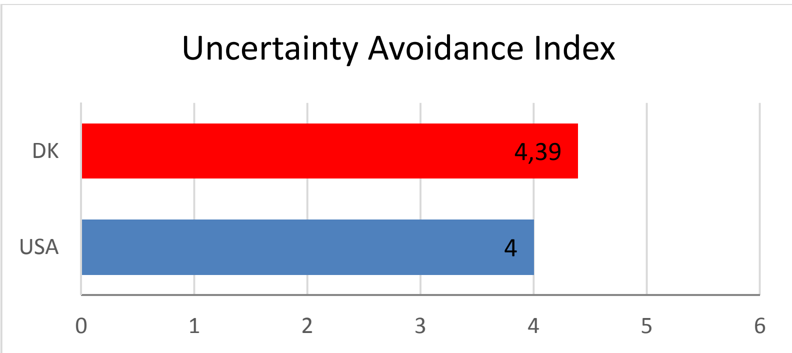
For uncertainty avoidance, the Danish companies were first asked to which extent they perceive their target consumers to plan meticulously ahead for their future purchases in USA and Denmark.

The more the target consumers are perceived to plan ahead, the more uncertainty avoidant they are. For the second question, they were asked to which extent they perceive their target consumers to be willing to try new products or brands in the two markets. The more willing they are, the less uncertainty avoidant they are. The respectively high and respectively low ratings were as follows:

	American Market		Danish Market	
	High	Low	High	Low
Meticulously plan ahead	45.4%	27.3%	54.5%	27.3%
Try new products or brands	54.5%	27.2%	54.5%	18.1%

Table 10: Uncertainty Avoidance

The ratings on the two questions contradict each other. The first question indicates that consumers in both markets are more uncertainty avoidant, while second question indicate that consumers in both markets are not uncertainty avoidant. To substantiate the frequencies, the cultural dimension index indicates 4.00 for consumers in the American market and 4.39 for the Danish market. This suggests Danish companies perceive consumers in the Danish market to be slightly more uncertainty avoidant than their American counterpart.



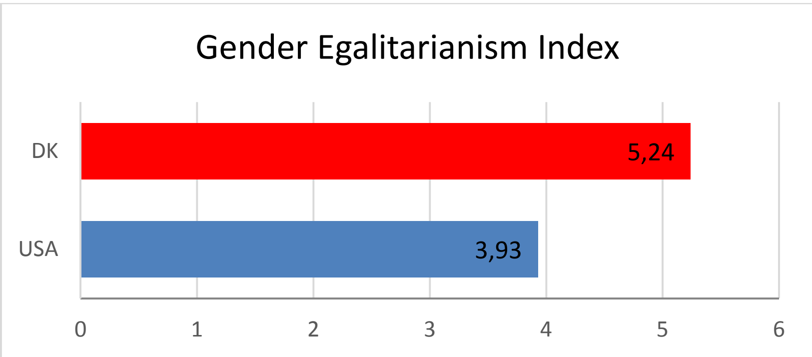
6.2.1.5. *Gender Egalitarianism (GE)*

For gender egalitarianism, the companies were asked two questions. Firstly, they were asked to which extent they perceive the distribution of household responsibilities to be shared equally by men and women for their target consumers in the two markets. Secondly, they were asked to which extent they perceived the target consumers to prioritize social outcomes than monetary rewards in the two markets. If the ratings pointed towards social outcome, this would indicate feminine culture therefore higher gender egalitarianism, and if they prioritized monetary rewards, this would indicate a masculine culture, therefore lower gender egalitarianism. The respectively high and respectively low ratings were as follows:

	American Market		Danish Market	
	High	Low	High	Low
Distribution of household responsibilities	40.9%	36.4%	81.8%	18.2%
Prioritize social outcomes than monetary rewards	35.0%	45.0%	72.7%	13.6%

Table 11: Gender Egalitarianism

The frequencies of the two questions show that consumers in the Danish market are more gender egalitarian than the American market. Following the frequencies, the cultural dimension index designated 3.93 for the consumers in the American market and 5.24 for the Danish market. This confirms that Danish companies perceive that gender egalitarianism is higher for the consumers in Denmark than in USA indicating that the American market has a more masculine culture, while Denmark has a feminine culture.



6.2.2. Economic Environment

The economic environment was assessed by asking Danish companies about their perception on the standard of living, average income and disposable income indicators in the two markets.

	USA	Denmark
	High Rating	High Rating
Standard of living	63.7%	54.6%
Average Income	60%	55%
Disposable Income	63.6%	49,9%

Table 12: Economic Environment

Combining the perceptions of standard of living, average income and disposable income in the two markets, the overall overview shows that all three indicators are high though in the USA they are higher. In summary, Danish companies perceive that the level of economic environment in the American market is stronger than in the Danish market.

6.2.3. Competition

The competition was evaluated by asking Danish companies about their perception on the intensity of global and local competitors in the two markets and the level of brand differentiation.

	Local Competitors	Global Competitors	Level of Differentiation
American Market	68.2%	72.8%	59.1%
Danish Market	49.9%	45.4%	40.8%

Table 13: Competition

The frequencies for the intensity for local competitors indicate that there are many local competitors in the American market than in the Danish market. Specifically, 45.5% rated that there are "extremely many" local competitors in the American market, while only 4.5% specifically rated the same for the Danish market.

As for intensity for the global competitors in both markets, the frequencies indicate that there are many global competitors in the American market than in the Danish market as well. Specifically, 45.5% rated that there are "extremely many" in the American market and only 9.1% specifically rated the same for the Danish market.

In respect of level of brand differentiation, Danish companies differentiate their brands in the two markets, though to a higher extent in the American market than in the Danish market.

In summary, this indicates that Danish companies perceive competition to be higher in USA than in Denmark.

6.2.4. The Three Market Conditions' Influence on Brand Management Strategy

<table>
<tr><th colspan="4">Comsumer Tastes and Preferences</th><th colspan="4">Economic Environment</th><th colspan="4">Competition</th></tr>
<tr><th colspan="2">American Market</th><th colspan="2">Danish Market</th><th colspan="2">American Market</th><th colspan="2">Danish Market</th><th colspan="2">American Market</th><th colspan="2">Danish Market</th></tr>
<tr><td>High</td><td>Low</td><td>High</td><td>Low</td><td>High</td><td>Low</td><td>High</td><td>Low</td><td>High</td><td>Low</td><td>High</td><td>Low</td></tr>
<tr><td>47.6%</td><td>38.1%</td><td>61.9%</td><td>33.3%</td><td>42.9%</td><td>57.1%</td><td>42.9%</td><td>47.6%</td><td>38.1%</td><td>47.6%</td><td>38%</td><td>52.4%</td></tr>
</table>

Table 14: The Three Market Conditions' Influence on Brand Management Strategy

When the companies were asked directly about the influence of consumer tastes and preferences, economic environment and competition, the majority of Danish companies perceive the consumers tastes and preferences to have a respectively high influence on brand management strategy. As for the economic environment and competition, the frequencies indicate that these two market conditions have lower influence on brand management strategy.

6.3. Correlation Overview

USA			Brand Management Strategy	Consumer Tastes and Preferences	Economic Environment	Competition
Spearman's rho	Brand Management Strategy	Correlation Coefficient	1,000	0,267	0,047	-0,146
		N	22	22	22	22

Table 15: Correlation between Brand Management Strategy and the Three Market Conditions in USA

Denmark			Brand Management Strategy	Consumer Tastes and Preferences	Economic Environment	Competition
Spearman's rho	Brand Management Strategy	Correlation Coefficient	1,000	0,137	0,030	-0,209
		N	22	22	22	22

Table 16: Correlation between Brand Management Strategy and the Three Market Conditions in Denmark

The correlation coefficient (or ”r”) determines the degree of linear association or relationship between two different variables. A correlation coefficient represents both the magnitude and the direction of the association. It ranges from -1.0 to +1.0 and the closer r is to +1 or -1, the more closely the two variables are related. The positive or negative sign indicate the direction of the association. Correlation coefficient between .1 and .3 is weak, between .3 and .5 is moderate, between .5 and .8 is strong and above .8 is represent very strong or high relationship.

6.3.1. Brand Management Strategy and the Three Market Conditions

The strongest association between brand management strategy and the three market conditions is consumer tastes and preferences for the American market, while for the Danish market it is competition, however the association is negative. All correlations are considered weak as they are below 0.3.

6.3.2. Brand Management Strategy and Brand Performance

The several correlations generated indicate that there is a correlation between brand management strategy adopted and brand performance. The strongest positive correlation was between local strategy and "very far above goals", with a coefficient of .843. Thereafter, the slightly local strategy is correlated positively with .516 with "far above goals". As for the slightly global strategy, there was a positive correlation of .733 with "a little above goals". A positive association with a correlation coefficient of .582 was found between global strategy and "very far below goals". All these associations were considered strong as they are above 0.5.

			Very Far Below Goals	A Little Above Goals	Far Above Goals	Very Far Above Goals
Spearman's rho	**Global Strategy**	Correlation Coefficient	0,582			
		N	22			
	Slightly Global Strategy	Correlation Coefficient		0,733		
		N		22		
	Slightly Local Strategy	Correlation Coefficient			0,516	
		N			22	
	Local Strategy	Correlation Coefficient				0,843
		N				22

Table 17: Correlation between Brand Management Strategy and the Brand Performance in USA

6.4. Multiple Regression Overview

Multiple regression is a statistical process for estimating the relationship among variables. When using multiple regression, it is important to check for both the coefficient of multiple determination (R^2) and multicollinearity. The coefficient of multiple determination indicates how much of the independent variables variance explains the variance of the dependent variables. The higher the value, the better as this signifies that a large variance of the independent variables explains a large variance of the dependent variable. As for multicollinearity, when two or more of the variables are highly correlated, it can have damaging effects on the multiple regression which makes it uncertain to interpret the coefficients as an indicator of the relative importance of the predictor variables. Normally, large values of 10.0 or more suggest multicollinearity. View the Variable Inflation Factor (VIF) index for multicollinearity statistics (Saunders et al., 2011).

6.4.1. Brand Management Strategy and the Three Market Conditions

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	,415[a]	,172	-,087	1,19204	,172	,664	5	16	,656	1,600

a. Predictors: (Constant), Influence of competition on branding in DK, Consumer tastes and preferences' influence on branding in US, Influence of economic environment on branding in DK, Consumer tastes and preferences' influence on branding in DK, Influence of economic environment on branding in US

b. Dependent Variable: Brand Management Strategy in USA

Table 18: Multiple Regression (Model Summary)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2,631	,932		2,823	,013		
	Consumer tastes and preferences' influence on branding in US	,183	,185	,301	,994	,336	,561	1,782
	Consumer tastes and preferences' influence on branding in DK	,128	,193	,206	,664	,517	,532	1,880
	Influence of economic environment on branding in US	,018	,228	,033	,079	,938	,292	3,428
	Influence of economic environment on branding in DK	-,081	,250	-,131	-,322	,752	,310	3,230
	Influence of competition on branding in DK	-,147	,152	-,250	-,967	,349	,768	1,302
	Influence of competition on branding in US	-,185	,177	-,288	-1,047	,312	,680	1,471

a. Dependent Variable: Brand Management Strategy in USA

Table 19: Multiple Regression (Coefficients)

The above displayed multiple regression tables shows that the coefficient of multiple determination is 0.172, which indicates that 17.2% of the total variation in brand mangement can be explained by the variation in consumer tastes and preferences, economic environment and competion in the two markets. In addition, no multicollinearity exists between the independent variables as indicated by the low VIF values.

Furthermore, the consumer tastes and preferences for the two markets have respectively unstandardized beta coefficients of 0.183 for USA and 0.128 for Denmark indicating that the relative contribution of consumer tastes and preferences to brand management strategy is higher compared to relative contribution on economic environment or competition. Thereafter, the economic environment in the two markets is indicated to have the second relative contribution to brand management strategy, and finally, competition has the least relative contribution to brand management strategy.

This indicates that Danish companies perceive consumer tastes and preferences influences brand management strategy the most in the two markets, followed by economic environment and lastly by competition.

6.5. Hypotheses Overview

Hypothesis analysis was evaluated also using multiple regression. The p-value at a significant level (α) of 0.05, was derived from multiple regression ANOVA table. This will be used to evaluate whether to accept or reject the hypotheses. P-value at a significant level (α) of 0.05 means that if the probability of the test statistic is lower than 0.05, then the null hypothesis (H_0) is rejected as this indicates a statistically significant relationship and the alternative hypothesis (H_1) is accepted (Saunders et al., 2007; Blumberg et al., 2011; Bhattacherjee, 2012). In the previous section about the multiple regression, the same information about multiple regression applies for hypothesis thesting. To ensure consistency in the analysis of the market conditions hypotheses, coefficient of multiple determination (R^2) and multicollinearity will be reported before carrying out hypothesis testing.

6.5.1. Market Conditions Hypotheses

The three market conditions' hypotheses are provided below.

6.5.1.1. Consumer Tastes and Preferences

The hypotheses for consumer tastes and preferences state:

> **H_{1a}**: If Danish companies perceive differences in consumer tastes and preferences (assertiveness, power distance, in-group collectivism, uncertainty avoidance and gender egalitarianism) in the American and Danish market, then they will be more likely to adopt a locally responsive brand management strategy in the American market.
>
> **H_{1b}**: If Danish companies perceive similarity in consumer tastes and preferences (assertiveness, power distance, in-group collectivism, uncertainty avoidance and

gender egalitarianism) in the American and Danish markets, they will be more likely to adopt a globally integrated brand management strategy.

The coefficient of multiple determination is 0.333, which indicates that 33.3% of the total variation in brand management strategy can be explained by the variation in consumer tastes and preferences. In addition, no multicollinearity exists between the independent variables as indicated by the low VIF values.

The P-value of consumer tastes and preferences is 0.823 which is higher than 0.05. Therefore, the null hypothesis ($H1_a$) is accepted and the alternative hypothesis ($H1_b$) is rejected.

6.5.1.2. Economic Environment hypotheses

The hypotheses for economic environment state:

> **H_{2a}:** If Danish companies perceive differences in economic environment in the American and Danish markets, then they will be more likely to adopt a locally responsive brand management strategy in the American market.
>
> **H_{2b}:** If Danish companies perceive similarity in economic environment in the American and Danish markets, they will be more likely to adopt a globally integrated brand management strategy.

The coefficient of multiple determination is .307, which indicates that 30.7% of the total variation in brand management strategy can be accounted for by the variation in consumer tastes and preferences. In addition, no multicollinearity exists between the independent variables as indicated by the low VIF values.

The P-value of economic environment is 0.533 which is higher than 0.05. Therefore, the null hypothesis ($H2_a$) is accepted and the alternative hypothesis ($H2_b$) is rejected.

6.5.1.3. Competition Hypotheses

The hypotheses for competition state:

H_{3a}: If Danish companies perceive differences in the intensity of competition in the American and Danish markets, they will be more likely to adopt a locally responsive brand management strategy in the American market.

H_{3b}: If Danish companies perceive similarities in the intensity of competition in the American and Danish markets, they will be more likely to adopt a globally integrated brand management strategy.

The coefficient of multiple determination is .085, which indicates that only 8.5% of the total variation in brand management strategy can be accounted for by the variation in consumer tastes and preferences. In addition, no multicollinearity exists between the independent variables as indicated by the low VIF values.

The P-value of competition is 0.809 which is higher than 0.05. Therefore, the null hypothesis ($H3_a$) is accepted and the alternative hypothesis (sub-$H3_b$) is rejected.

6.6. Reliability Overview

Cronbach's alpha is the most common measure of internal consistency and reliability. It is commonly used when having multiple likert scale questions in a survey in which the reliability is being measured utilizing Cronbach's Alpha coefficient value. Cronbach Alpha is a measure of squared correlation between observed scores and true scores. Cronbach's alpha reliability coefficient normally ranges between 0 and 1. The closer Cronbach's alpha coefficient is to 1.0, the greater the internal consistency of the items in the scale. George and Mallery (2003) provide the following rule of thumb: _> .90 – Excellent, _ > .8 – Good, _> .7 – Acceptable, _ > .6 – Questionable, _ > .5 – Poor, and _ < .5 – Unacceptable. In general, the higher the alpha is, the more reliable the test is. It is a common misconception that if the alpha is low, it must be a bad test. However, the test may measure several latent attributes/dimensions rather than one and thus the Cronbach Alpha is deflated (Gliem & Gliem, 2003).

In this research, the Cronbach's Alpha coefficient of the questions asked for consumer tastes and preferences, economic environment and competition have been calculated to assess their reliability. Questions asked for consumer tastes and preferences provided an alpha value of .456, while the questions asked for the economic environment has a value of .703. Additionally, questions asked

for the competition has a value of .602. According to George and Mallery's rules (2003), the questions for the consumer tastes and preferences provide an unacceptable alpha value (alpha value below .5), while the competition's value is slightly higher providing a questionable alpha (alpha value below .7). For the economic environment, the alpha is acceptable as its value equal .700.
In other words, the data obtained for consumer tastes and preferences and competition should not be considered reliable. However, according to Gliem & Gliem (2003), they explain that a low alpha can be explained when measuring several dimensions. This could be the case for consumer tastes and preferences, where the test was used to measure five different cultural dimensions of assertiveness, power distance, gender egalitarianism, uncertainty avoidance and in-group collectivism. Consequently, only the data obtained for economic environment can be considered reliable according to Cronbach's alpha.

7. Analysis

This section will provide an analysis of the Danish companies' perception of the three market conditions and their influence on brand management strategy, the preferred strategy to be adopted in the American consumer goods market and the successfulness of brand management strategy.

7.1. Brand Management

When analyzing brand management strategy, three main concepts of brand identity, brand positioning and brand image will be examined.

7.1.1. Brand Identity

Brand identity represents an organization's intention or aspiration of how it wants its brand to be perceived in the marketplace (Hatch & Schultz, 2009). In reference to Aaker and Joachimsthaler's definition of brand, the brand identity consisted of a core identity, extended identity and brand essence. The core identity was defined as "the central timeless spirit of the brand that remains constant as the brand moves to new markets and new products" with focus on product attributes, service, user profile, store ambience and store performance (Aaker & Joachimsthaler, 2000). The core identity in our findings revealed that 86.4% rated that all or many of the core brand values for their companies were similar in the American and Danish market irrespective of their adopted brand management strategies. This indicates that the companies maintain a similar identity in the two markets. Concerning the extended or other brand values, 81.8% of the companies stated that all or most of their extended brand values are similar as well irrespective of their adopted brand management strategy. According to Aaker and Joachimsthaler (2000), the extended identity provides texture and completeness to the core identity and includes elements such as brand personality, symbols and customer/brand relationships. On the one hand, core and extended brand values can be similar with the implementation of global strategy. A cross-tabulation between brand management strategy and brand values indicated that all of the Danish companies that said they implement a global or slightly global brand strategy had all or many of their core and extended brand values are similar in the two markets. This indicates that the brand identity is interpreted in the same way across the two markets. Charlotte Wetche, Consultant from Brand Emphasis, hereafter referred to as Brand Emphasis, further added: "*You should hold onto your brand identity and not change it in other markets. Otherwise, the brand will become diluted.*" For this reason, she emphasized the importance of having a single brand identity to make it stand stronger than having different identities that dilute the brand (Brand Emphasis Interview, 2013). Aaker and Joachimsthaler (2000) also noted that having a single brand identity makes the communication task easier as it is less costly and more likely to be effective and solidly linked to the organizational culture and business strategy. In relation to the Danish companies, this may explain the companies' preference to keep a single and similar brand identity in both markets in order to save costs and operate seamlessly.

On the other hand, companies can also have similar core and extended brand values when implementing a local strategy. Aaker and Joachimsthaler (2000) explain that in some cases, a single identity cannot fit in different markets, however the same identity may be used with emphasis on different elements, or interpreted differently in different contexts (Aaker & Joachimsthaler, 2000). Supporting Aaker and Joachimsthaler's statement, 63.6% of the Danish companies implementing a local or slightly local brand strategy, indicated that all or many of their core and extended brand values are similar. This implies that with their adoption of a slightly local or local strategy, the brand identity is interpreted differently in the American market in order to resonate with their American consumers and differentiate their brands. In summary, this indicates that regardsless of the adopted brand management strategy, both core and extended brand values can be similar in different markets.

7.1.2. Brand Positioning

Ghodeswar (2008) explains that the essence of positioning relates to creating the perception of a brand in the customer's mind with the aim of achieving differentiation so that the brand stands apart from the competitors' brands and offerings and meets the consumers' needs and expectations. Therefore, as Ries & Trout, (2000) noted, applying a brand positioning that is trying to appeal to everyone is most likely a mistake as too many brands have already claimed a position and become entrenched leaders in their position, hence such a brand will end up being nothing to everyone. This could be the idea behind 32% of Danish companies positioning their brands as high-end premium brands in the USA and targeting niche markets. David Rosenkvist, VP Sales North America for Fritz Hansen, hereafter referred to as Fritz Hansen, said, "*The penetration in the USA is small, and the brand is targeted in a more niche market than in Denmark*" (Fritz Hansen Interview, 2013). Additionally, the companies indicated that they also differentiate their position in order to stand out from the competition. For example, Rasmus Børsting, Executive Director for Oticon, hereafter referred to as Oticon, mentioned, "*…In Denmark, we position our brands differently because there are three well-known players in the market: Widex, GN Resound and us. The Danes have a broad knowledge of these companies compared to the American consumers who are not familiar with these brands"* (Oticon interview, 2013). Keller et al. (2002) also noted that brand positioning involves establishing key brand associations in the minds of the consumers and other important constituents to differentiate the brand and establish competitive superiority. For instance, Danish companies explained that their brands in the American market are known for having associations such as "authenticity", "Danish design", "modern and contemporary", "high quality", "high functionality" and among others. With the American market being very competitive, Danish companies could use such associations to differentiate themselves. Furthermore, Keller, Sternthal and Tybout (2002) explained that repositioning a brand is nearly impossible and very difficult. This means that it is advantageous to get the right brand positioning from the beginning. Johan Møller Jensen, President North America for Beaute Pacifique, hereafter referred to as Beaute Pacifique, stated, "*As we see it, we only have one chance. We cannot be a bottom of the pyramid one day and become one of the prestigious brands on another day. It would not make any sense moving the brand positioning from bottom to top later on"* (Beaute Pacifique Interview, 2013)

Many companies explained that their positioning strategies are somewhat similar in the two markets. According to the findings, majority (63.6%) position their brand similarly in the two markets, while only few (31.8%) position their brand differently. Furthermore, 47.5% rated similar and 52.5% rated different for the consumer brand perception. de Chernatony, (2006) noted that successful brands represent a point of view which is reinforced through brand positioning that ensures their target customers can instantly associate the brand with a particular functional benefit. This means that in order for the brand to be recognized by the target customers in different markets, companies must decide to have similar or different positioning. This is because if companies adopt similar positioning, consumers will likely perceive the brands to be similar and if companies position differently, then the consumers will likely perceive the brands differently. For instance, Carsten Pedersen, President for BoConcept USA Inc.. hereafter referred to as BoConcept, stated, "*We have similar positioning and streamlined brand values*" (BoConcept interview, 2013). And he rated that consumer perception of their brand was similar in the two markets. On the other hand, Angel Ilagan, Vice President Marketing for Pandora, hereafter referred to as Pandora, said, "*Pandora in North American market is more of a lifestyle, rather than the 'fashion' focus in Denmark*" (Pandora Interview, 2013). And he rated that customer perception in the two markets was different. Nonetheless, others explained that their brand awareness in USA was not as high as in Denmark and this did affect consumer perception. Michael Bellaveau, President and CEO for Trollbeads Inc., hereafrer referred to as Trollbeads, commented, "*There is different brand perception among consumers because brand awareness is already much more universally understood in Denmark than in the USA*" (Trollbeads Interview, 2013). The fact that the brand started in Denmark can be the reason why the brand awareness is higher in the Danish market than the American market.

It was also noted that the American market is very competitive, which makes brand positioning an important activity in the brand management strategy. Hanne Andersen, Sales Director for Maileg, hereafter referred to as Maileg, said, *"if you are out of sight, you are out of mind"* (Maileg interview, 2013). Also, Henning Kallesen, Export Manager for Toms Group, hereafter referred to as Toms Group, confirmed, *"In the American market you have to be sharp and differentiate yourself, otherwise you would not breakthrough*" (Toms Group Interview, 2013). Likewise, Kim Monrad, Sales Manager for Verpan, hereafter referred to as Verpan, noted that storytelling is important in the American market than in the Danish market and Oticon added: "*Selling a brand is a lot about telling a story. Danes are typically not as good story developers or story tellers as Americans. It is important to position yourself differently and stand out from the others in the American market as it is so much more hardcore commercialized"* (Oticon interview, 2013).

In summary, Danish companies position themselves similarly in the American and Danish markets, though in the American market their brands are either high-end or targeted to the niche market, which contributes to the different consumer brand perception in the two markets.

7.1.3. Brand Image

Park, Jaworski & MacInnis (1986) suggested a useful model of brand image strategies proposing that companies can base their brand images on one of these functional, social or sensory needs. Correspondingly, the Danish companies were asked about these brand images. Based on the frequencies, 63.6% of Danish companies indicated that they emphasize sensory images in both the American and Danish market. This shows that they primarily emphasize the sensory brand images in both markets, Additionally, 54.5% rated that they emphasize a functional brand image in the American market and 59.1% said that they emphasize a social brand image in the Danish market. This indicates that apart from the sensory and functional brand images are in the American market and sensory and social brand images are in the Danish market.

By emphasizing the sensory brand image in both markets, it implies that Danish companies are able to associate the individual consumer with a desired group, role or self-image. As Keller (1998) explains, sensory needs are designed to associate the individual consumer with a desired group, role or self-image, while social needs linked with fulfilling internally generated needs for self-enhancement, role position, group membership or ego-identification. In addition, Roth (1992) noted that it was necessary and advantageous for companies to diversify brand images across two or more consumer needs. Danish companies also emphasize the functional brand image in the American market to a higher extent and social brand image in the Danish market. This could be due to differences in consumer tastes and preferences implying that it is vital to diversify in different markets with different brand images in order to reach and associate their brands with the consumers.

7.1.4. Subconclusion

Having analyzed the brand identity, brand positioning and brand image, it shows that Danish companies maintain similar core and other brand values in both markets. Also, for brand positioning most Danish companies position themselves as high end premium brands in the American market, while in Denmark their brands are more targeted to the mass-market. Furthermore, the Danish companies apply sensory brand images in both markets, while they diversify the functional brand image to a higher extent in the American market and social brand image in the Danish market.

7.2. Perception Analysis of the Three Market Conditions

The three market conditions of consumer tastes and preferences, economic condition and competition from the Danish companies' perspective are analyzed below.

7.2.1. Consumer Tastes and Preferences

Customer tastes and preferences are referred to subjective and individual tastes as measured by consuming or utilizing goods, therefore it is also an important indicator of the feasibility of the global or local brand management strategy.

7.2.1.1. Assertiveness (ASS)

House et al. (2004) define assertiveness as the degree to which individuals are assertive, confrontational, and aggressive in their relationships with each other. Additionally, it was noted that societies that score low on assertiveness tend to have sympathy for the weak, value modesty and cooperation, speak indirectly and emphasize "face-saving", and value ambiquity and subtletly in language and communication (House et al., 2004).

In our findings, it was found that Danish companies perceive higher assertiveness in the American market than in the Danish market. Correspondingly, the Danish companies' perception is comparable to the GLOBE study as the level of assertiveness is high for the American market and low for the Danish market. This indicates that assertiveness could influence brand management strategy in the two markets. In order to substantiate this argumentation, the following analysis is examined.

In terms of the level of assertiveness in advertising, Okazaki et al. (2010) found that hard-sell advertising techniques were persuasive to the American consumers who are assertive while they were less persuasive to the Japanese consumers who preferred soft-selling techniques. Supporting Okazaki et al.'s postulation, Einar Dyrhauge, Executive Director for Danish American Business Forum (DABF), hereafter referred to as Danish American Business Forum, explained the importance of emphasizing assertiveness in the American market: "*I used to work for Carlsberg and our global slogan was: "Probably the best beer in the World". For the Americans, this did not mean anything. If you are only "probably" it is not good enough. Whereas, the American beer Budweiser´s slogan was "King of Beer*" (DABF Interview 2013). As a result, Carlsberg campaign was less successful in the American market as the level of assertiveness was not emphasized fittingly as compared to Budweiser's campaigns.

Furthermore, the thinking behind Carlsberg's campaigns can be explained by the lower level of assertiveness in Denmark compared to USA as supported by the Danish companies' perception and GLOBE study. This propose that applying hard-sell advertising techniques in the Danish market may not apply as well as in the American market, similarly soft-sell technique may work in the Danish market, but not in the American market. Nital Patel, Associate Brand Director for Jacob Jensen, noted that Danish consumers are subtle and modest compared to the American consumers. Kasper Holst Pedersen, Sales Manager for PP Møbler mentioned, "*Being aggressive is in the American culture*" (PP Møbler Interview, 2013).

In contrast to Okazaki et al.'s findings, Terlutter et al. (2005) found that consumers from a society with low level of assertiveness evaluated assertive advertisement messages more positively than high level of assertiveness societies. They added that in employing a standardized approach in international efforts, it was important that firms were aware of the fact that an advertisement incorporating assertiveness appeals may well be perceived differently from one country to another, depending on the role that assertiveness plays in that particular market (Terlutter, Diehl, & Mueller, 2010). In contrast to Terlutter et al.'s statement, our findings are comparable to Okazaki et al.'s inference.

In summary, based on the above analysis, Danish companies perceive assertiveness to be different in the two markets and as a result, this would affect brand management strategy.

7.2.1.2. Power Distance (PD)

According to Hofstede and GLOBE study, power distance is the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally (Hofstede & De Mooij, 2010; House et al., 2004). As established from the data overview, Danish companies perceive power distance in the American market to be higher than in the Danish market. Also, the GLOBE scores for power distance indicate that the American society is high and Danish society is low. Consequently, both companies' perception and the GLOBE study indicate that there is a difference between power distance in the USA and in

Denmark. This indicates that power distance could influence brand management strategy in the two markets. The above argumentation is investigated below.

According to Hofstede, in low power distance cultures, everyone is considered equal, while in high power distance cultures, everyone has their rightful place in a social hierarchy. One aspect that is noticeable in relation to power distance is wealth. For the consumers in the American market, wealth seems to be important. This could be because of the belief in the American dream. The American dream has often been interpreted to imply, “making it big” or “striking it rich” and it has come to be associated with material prosperity (Kamp, 2009). Kinga Valeria Szabo, General Manager, US Office for Danish Industry, hereafter referred to as Danish Industry, mentioned, “I*n America, power and wealth are very important and in Denmark, it is less so”* (Danish Industry interview, 2013). There are 85.7% of the Danish companies that indicated that power or wealth was more important in the American market than in the Danish market. Additionally, five Danish companies specifically commented that there are significant differences between the rich and the poor in America market while on the opposite, they mentioned that there were no major differences between the rich and the poor in the Danish market. For example, Beaute Pacific commented, “*There is a big spread of poor to rich. You can see homeless people on one side of the city and then on the other side, you may see people living in the expensive mansions and so on.*” For the Danish market, the welfare system provides free education, healthcare and also has unemployment benefit system that ensures that all citizens have equal rights to social security. This means that the welfare system provides for all the Danish population and contributes to the overall decrease of poverty and hence, there is a low gap between the rich and the poor (Denmark, 2013). Thomas Knudsen, Area Sales Manager for Dali, hereafter referred to as Dali, added, *“… but in Denmark, income earned is not a criteria because the danish society makes it easier for people to have money independent of weather they have a job or not*” (Dali interview, 2013).

In respect of power distance and brands, Hofstede and De Mooij (2010) found that global brands for items such as fashion items and luxury articles were utilized for demonstrating one’s status because they appealed to social status needs. The Danish companies perceive consumers in the American market use brands to demonstrate their social status to a higher extent than the consumers in the Danish market. This was indicated in the study where 72.7% and 54.5% of the respondents rated respectively high for the American and Danish market respectively, in relation to consumers using brands to demonstrate their social status. Danish Industry commented*, “Americans demonstrate* *social status while Danes do not use brands to demonstrate their social status. Instead they do hide it due to their society culture of jante law."* Additionally, Roth (1995) noted that national cultures that are higher in power distance attach more importance to brand names. Since the American market is high on power distance, it can be assumed that American consumers may attach more importance to brand names than consumers in the Danish market may. Furthermore, Lam (2007) stated that individuals in high power distance cultures are less brand loyal as they are more likely to switch brands in order to suit the impulses of their power group, whereas individuals in low power distance cultures are less influenced by high power. During data collection, close to the majority mentioned that American consumers were less brand loyal, and close to half of the companies specified that Danish consumers were more brand loyal in comparison.

In summary, based on the above analysis, Danish companies perceive the two markets to be different in respect of the power distance dimension, and this would affect brand management strategy.

7.2.1.3. In-group Collectivism (IGC)

GLOBE study defines in-group collectivism as the degree to which individuals express pride, loyalty, and cohesiveness in their families or organizations (Hoppe et al., 2004). An individual who has a high score in in-group collectivism is more collectivistic, while a person with a low score in in-group collectivism is less collectivistic, therefore more individualistic (House et al., 2004). According to the Danish companies' perception, they perceive the American market to have lower in-group collectivism than the Danish market. Even though Danish companies perceive higher in-group collectivism in the Danish market than in the American market, it is observed that the difference in the perception is negligible. Therefore, this implies that Danish companies perceive the two markets to be similar in respect of in-group collectivism. In accordance with the GLOBE study, USA has greater in-group collectivism than Denmark. Therefore, the Danish companies' perception is in contrast to the GLOBE study. Nonetheless, this indicates that in-group collectivism could influence brand management strategy in the two markets. In order to support this argumentation, the following analysis is explored.

Hofstede and De Mooij (2002) explain that cultures that are low in in-group collectivism are more individualistic while cultures high in in-group collectivism base their identity on the social system to which they belong. The reason for individualism could be explained by the American dream.

According to Ashbee (2002), the notion of the dream is associated with theories of economic individualism which in essence means that self-reliance is encouraged and that one should provide for themselves and their families with less dependency on government provisions. On the other hand, for the Danish market, the welfare system provides for its population (Denmark, 2013). This indicates that in the American market, there is a stronger emphasis for self-dependent than in the Danish market. As Mooij (1998) noted in the american culture, the freedom of being an individual is essential and they are to a high extent individualistic and affected by the enterepreneurship spirit. The Americans are identiying themselves solely based on individual performance such as which car they drive in and which neighborhood they are living in and many prefer overwork and extra money than spending extra time with family and friends (Mooij 1998). Additionally, Danish Industry said, *"In both America and Denmark, an individual is more important than the society. While in America it is more about social status, in Denmark it is about a person creativity and development"* (Danish Industry, 2013). This indicates that consumers in the American market are more individualistic than consumers in the Danish market.

From the above discussion, it follows that there is a difference in in-group collectivism between the two markets as perceived by the Danish companies and as a result, this would affect brand management strategy.

7.2.1.4. Uncertainty Avoidance (UAI)

House et al. (2004) defined uncertainty avoidance as the extent to which people feel threatened by uncertainty and ambiguity; therefore try to avoid these situations. This means when one is high uncertainty avoidant, this person would avoid all kinds of uncertainty, while one who is low uncertainty avoidant do not have the same need therefore accepting a higher level of uncertainty in his or her life. Furthermore, it was established by the Danish companies that they perceived the level of uncertainty avoidance to be higher in the Danish market than the American market. Similarly, the GLOBE study also indicated Danish consumers to be more uncertainty avoidant than the American consumers. Accordingly, both companies' perception and the GLOBE study indicate that there is a difference between the American and Danish consumers in which uncertainty avoidance is higher in Denmark. This also indicates that uncertainty avoidance could influence brand management strategy in the two markets. In order to substantiate the argumentation, the following analysis is examined.

Accordingly, Dowling and Staelin (1994) explain that individuals high in uncertainty avoidance have a lower tolerance for ambiguity, and experience higher anxiety and stress in their lives. Therefore, they are also less willing to take risks in life. In order to counteract the risks, therefore they tend to plan more and look for less risky alternatives (Dowling and Staelin, 1994). Our findings show that 54.5% of the Danish companies perceive consumers in the Danish market have a tendency to plan more meticulously ahead for their purchases than consumers in the American market. In comparison, a lower percentage (45.5%) of the Danish companies perceived consumers in the American market to plan meticulously ahead. In addition, Claus Sørensen, Sales Manager for Eilersen said, *"American consumers are more impulsive, and Danes plan more when purchasing"* (Eilersen interview, 2013). This indicates that American consumers' perceived risk is lower than the Danish consumers. Consequently, they do not always need to plan meticulously ahead for future purchases, and accordingly they are more willing to engage in impulsive buying.

According to Lam (2007), uncertainty avoidant individuals have lower willingness to take risks in life, therefore can be considered to be more brand loyal. From a generalized perspective, the Danish consumers can be perceived more brand loyal than their American counterpart as they are more uncertainty avoidant. 36% of the companies asserted that Danish consumers are more brand loyal. Mette Breindahl, Export Manager for Stelton, confirms, *"There are different tastes between Americans and Danes. Americans are more price-conscious, and Danish consumers are more brand loyal"* (Stelton interview, 2013). In contrast, the Americans are perceived less brand loyal as 41% of the Danish companies stated that American consumers were used to low prices, therefore are not particularly loyal to brands. PP Møbler clarifies that American consumers are not very brand loyal, and they are very demanding and like short term lead times (PP Møbler Interview, 2013).

Based on the above analysis, it is indicated that there is a difference in uncertainty avoidance in the two markets, and this would affect the brand management strategy.

7.2.1.5. Gender Egalitarianism (GE)

In-group collectivism is defined in the GLOBE study as the degree to which individuals express pride, loyalty, and cohesiveness in their families or organizations (House et al., 2004). This means when gender egalitarianism is being rated as low, this indicates that the respective society is considered to have a masculine culture meaning values are placed on traditionally male or female values (Hofstede, 2004). So-called "masculine" culture values are: competitiveness, accumulation of wealth and material possessions. In contrast, high gender egalitarianism emphasizes female values in which emphasis on relationship and quality of life are prioritized (Hofstede, 2004). According to our findings, the Danish companies' perceive gender egalitarianism to be high in the Danish market and low in the American market. Also, GLOBE study ranked Denmark to be high in gender egalitarianism than the American society. This means that both companies' perception and the GLOBE study indicate that gender egalitarianism is different in the USA and Denmark. This suggests that Denmark can be categorized to have a feminine culture, while USA has a masculine culture. Moreover, this also indicates that gender egalitarianism could influence brand management strategy in the two markets and in order to substantiate the argumentation, the following analysis is examined.

According to Gupta et al. (2009), national cultures which are masculine-based prefer decision making based upon fact and prefer profit goals and monetary rewards. Therefore, brands that stress positive social and relational outcomes are considered to be preferred in feminine cultures, while masculine cultures will often prefer brand statements that purport functionality and efficiency and are supported by fact (Gupta, Winkel, & Peracchino, 2009). As explained, USA is considered a masculine culture, which suggests that there is a greater focus on monetary rewards and decision making, while feminine cultures like Denmark stress social relationships and outcome. Furthermore, Wiles et al. (1995) found that the masculinity of a nation has a relationship to the roles of males and females portrayed in branding campaigns; greater role differences occur in the higher masculinity countries and lesser differences in roles occur in lower masculinity countries. From the data overview, Danish companies indicated that household responsibilities are shared more equally in Denmark (81.8%) than in USA (40.9%). Also, Søren Egesborg, Sales Director for Odense Marcipan stated that the American consumers are more traditional postulating that they adhere more on traditionally male or female values than the Danish consumers (Odense Marcipan, 2013). According to Global Gender Gap Index, which ranks countries according to their gender gaps, the highest score is 1 (equality) and the lowest score is 0 (inequality). Denmark was ranked as no. 7 with a score of 0.77, while USA as no. 22 with a score of 0.73 (World Economic Forum, 2012). This further establishes that the gender egalitarianism is higher in Denmark, and there is a difference between the two countries.

Based on the above analysis, it follows that the American market is different from the Danish market, and this would influence brand management strategy.

7.2.2. Economic Environment

The economic environment affect consumer spending and buying power, therefore it is also an important indicator of operability of standardizing or customizing marketing programs (Roth, 1995). This indicates that economic environment could influence brand management strategy.

When asking the Danish companies' perception on the economic environment in both markets, all rated the level of standard of living, average income and disposable income to be high in the two markets with USA being slightly higher.

Supporting the companies' perception, the following statistics and reports show similar results. From the previous review of USA's economic conditions in the American market section, USA has a GDP per capita of $50,700, which is the world's sixth highest GDP per capita. As the GDP per capita is considered as an indicator of a country's standard of living, USA's standard of living can be considered as rather high (CIA, 2013). In comparison, Denmark's GDP per capita is $38,300. This indicates that the standard of living in USA is higher than in Denmark. Furthermore, the fact that Americans enjoy higher living standards than their Danish counterpart can be confirmed by the Danish Finance Ministry figures on per-capita individual consumption and per-capita private consumption and OECD's table of average individual consumption (see appendix).

Despite the fact that USA is considered to have a higher level of standard of living than Denmark, USA also has one of the widest rich-poor gaps of any high-income nation today. Maileg said, *"USA has over 360 million consumers, and the difference between high and low income is enormous"* (Maileg, 2013). Beaute Pacifique also stated, *"With a population of more than 310 mil., anything can happen in USA. There is a big spread of rich to poor. You can see homeless people on one side of the city, and on the other side, you can see people living in expensive mansions and so on..."* (Beaute Pacifique, 2013). Furthermore, the Gini Index, which is a measurement of income inequality, supports that USA has a higher level of inequality than Denmark (The World Bank, 2012).

In regards to average disposable income, OECD publicized USA's average household disposable income of $38,001 and Denmark's average household disposable income of $24,682 (OECD, 2013). USA has the one of the highest average household disposable income according to OECD, and it is also higher than Denmark's average disposable income.

Having examined the statistics and indexes on USA and Denmark's economic environment, it confirms that USA has a stronger economic environment than Denmark, but also a greater deal of economic inequality exists in USA as the gap between the rich and poor is wide, whereas Denmark has one of the lowest gaps. Roth (1995) stated that economic environment is an important indicator for standardizing or customizing marketing programs. Therefore, this indicates that as there are differences in economic environment between the two markets, this would have an influence on brand management strategy.

7.2.3. Competition

It is important to consider the extent of competition in any market, as competition has been considered to be an important market condition that may impact brand image strategy in a firm's marketing program (Roth, 1992). This indicates that competition could influence brand management strategy.

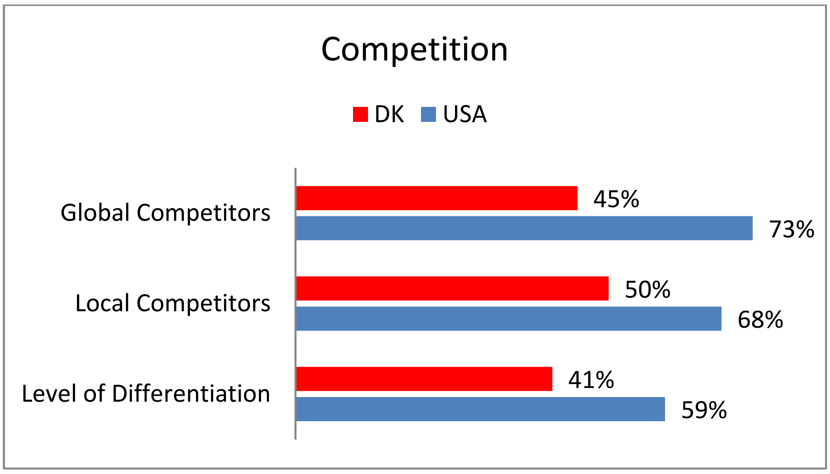


Fig 7: Competition according to Danish companies

Competition was measured based on the number of global and local competitors and level of differentiation in the two markets. From the data overview, it was found that Danish companies perceive that there are respectively many global and local competitors in the two markets. As for the number of global competitors, 72.8% of the Danish companies perceive it to be respectively many in the American market, while 45.4% rated respectively many for the Danish market. For the local competitors, 68.2% rated many for the American market and 49.9% respectively many for the Danish market. As for differentiation from the competitors, Danish companies rated that 59.1% differentiated respectively high in the American market, and 40.8% differentiated respectively high in the Danish market. It can be inferred that the intensity of competition is higher in the American market than in the Danish market because more Danish companies perceive there are many local and global competitors in the American market than in the Danish market, and in respect of that they may differentiate themselves to a higher extent in the American market.

Supporting Danish companies' perception of the two markets, the industry concentration ratio of the top four companies, also referred to as CR_4 from selected sub-sectors were used based on Euromonitor International's market share reports from 2011(see appendix). A high concentration ratio indicates that a high concentration of market share is held by the largest firms and less competitive, while lower ratio indicates low concentration with no dominating companies having large market share but rather there are many firms competing against each other. The CR_4 for the confectionery, cheese, sportswear, footwear, apparel, and clothing accessories subsectors in both markets have been found to indicate the level of competition in the two markets. It showed that the concentration ratios are higher in Denmark than USA meaning that there are large companies owning the majority of the market shares in these subsectors in Denmark, therefore creating a less competitive environment, whereas in USA it is very competitive seeing the concentration ratios are low.

For very competitive markets, companies strive to differentiate their brands from the competitors as there is a greater risk of brand parity (Roth, 1992). As earlier established, the American market is more competitive than the Danish market; as a result many Danish companies make an effort to maintain their competitiveness in the American market. Supporting this, Pandora commented, "*US market is more competitive and US consumers have many brands to choose from. As such, it is imperative that a brand have a 'Unique Selling Proposition'.*" Toms Group also added, "*There are great opportunities in the market as USA is big and attractive. It is consumer driven with an extremely high consumer spending despite the financial cris. Because of this, there are also a high level of compeition which makes it difficult. In the US, you have to be sharp and differentiate yourself, otherwise you would not breakthrough*." Accordingly, this confirms that the American market is more competitive than the Danish market; as a result it is important that companies differentiate themselves from the competitors in the American market in order to obtain the competitive edge in the market. This may also explain why companies rated their level of differentiation to be higher in the American market than Danish market.

In summary, Roth (1992) stated that competition has been considered to be an important market condition that may impact brand image strategy (Roth, 1992). Thus from the above analysis, as it has been indicated that there are differences in competition intensity between the two countries, this would influence the brand management strategy.

7.2.4. Subconclusion

Having analyzed the three market conditions, it can be established that Danish companies perceive the two markets to be different. In respect of consumer tastes and preferences, four of the dimensions (assertiveness, power distance, uncertainty avoidance and gender egalitarianism) are perceived differently. Only, in-group collectivism was perceived somewhat similarly in both markets. As for the other two market conditions, USA has a stronger economic environment and higher level of competition than Denmark.

7.3. Market Conditions' Influence on Brand Management Strategy

Degree of cultural context, level of economic development and competition may impact the importance of brand image strategy in a firm's marketing programs (Roth, 1992). In this sense, this means consumer tastes and preferences (cultural dimensions), economic environment and competition could influence brand management strategy.

Danish companies were asked directly about the extent of influence the consumer tastes and preferences, economic environment and competition have on brand management strategy. According to the frequencies, Danish companies indicated that consumer tastes and preferences have a higher influence on the brand management strategy; while they also indicated that the economic environment and competition have a lower influence on brand management strategy. Furthermore, the correlation analysis indicated that there are associations between the three market conditions and brand management strategy. Specifically, the regression analysis showed that the consumer tastes and preferences relative to economic environment and competition have the highest relative contribution to brand management strategy, while economic has the second highest influence and competition has the least influence on the brand management strategy.

In summary, the results above confirm that consumer tastes and preferences (cultural dimensions), economic environment and competition influence brand management strategy and these results are in agreement with Roth (1992), who found that the three market conditions affect brand image performance and Vrontis et al. (2003) who found that market conditions affected adaptation and standardization of marketing and branding strategies. Furthermore, the results revealed that consumer tastes and preferences (cultural dimensions) influence brand management strategy the most, followed by economic environment. Competition was found to influence brand management the least, and this result is consistent to the findings of Roth (1992) and Vrontis et al. (2003).

7.3.1. Subconclusion

Having examined the influence of the three market conditions, it showed that consumer tastes and preferences have the highest influence on brand management strategy followed by economic environment and competition.

7.4. Preferable Strategy in the American Consumer Goods Market

When international markets differ in national and inter-market environmental conditions, the standardization strategy is not recommended. Rather, companies should strongly consider a customization strategy (Roth, 1995).

As analyzed in the above section, Danish companies perceive differences in consumer tastes and preferences (assertiveness, power distance, in-group collectivism, uncertainty avoidance and gender egalitarianism), economic environment and competition in the American and Danish market.

From the hypothesis analysis, all the three null hypotheses for the respective market conditions were accepted after testing each individually. The results indicated that as Danish companies perceive consumer tastes and preferences, economic environment and competition to be different in the two markets, then they were more likely to adopt a locally responsive brand management strategy in the American market. According to the I–R framework, Prahalad and Doz (1987) asserted that firms competing in the global marketplace face two types of pressures – global integration and local responsiveness. The need for global integration is driven by the pressures of homogenous needs and tastes, reducing overall cost and maximizing return (Prahalad & Doz, 1987; Kogut, 1984; Porter, 1986), and the need for local responsiveness is driven by the pressure to take into consideration local culture, customer needs and tastes. (Prahalad & Doz, 1987). If the Danish companies perceive similarities in the three market conditions, this would suggest pressures for global integration, therefore adopting a global integration strategy would be fitting. However, the Danish companies' perception indicate that the pressures for local responsiveness exist because Danish companies perceive the three market conditions to be different in the two markets; therefore adopting a locally responsive brand management strategy is considered as an optimal approach in responding to these differences.

7.4.1. Rejection of Alternative Hypothesis

Even though the data overview indicated that the null hypotheses for the market conditions were accepted, it was important to analyze why the alternative hypotheses were rejected, which signified the rejection of a global brand management strategy. The hypotheses were formulated based on the theorized perception of the market conditions, which means they affected the strategy adopted. From the analysis above, it has been determined that Danish companies perceive consumer tastes and preferences, economic environment and competition in the two markets to be different. Hence, the difference between the two markets results to the three market conditions being considered as pressures for local responsiveness. According to the IR framework, it follows that when managers perceive pressures for local responsiveness, they would adopt local strategies. This means it would be sensible to adopt local strategies in order to adapt to local needs in a more favorably and competitive approach. The alternative hypothesis calls for a globally integrated brand management strategy, if Danish companies perceive the market conditions to be similar in the two markets. Consequently, in this case, it would be unreasonable for the Danish companies to adopt a globally integrated brand management strategy, if they perceive the market conditions across the two markets as pressures for local responsiveness. Therefore, it can be construed that a locally responsive brand management strategy would be deemed desirable in the American market.

7.4.2. Subconclusion

As mentioned earlier, it has been established that there are differences between the two markets in regards to the three market conditions. These differences are perceived as pressures for local responsiveness. According to the I-R framework, when the Danish companies perceive pressures for local responsiveness, it is recommended to adopt local strategies in order to respond to these differences. As a result, Danish companies should preferably adopt a locally responsive brand management strategy.

7.5. The Successfulness of Brand Management Strategy

When investigating to which extent market conditions influence brand management strategy, indication of strategy successfulness was also examined. In respect of market share, the majorities of Danish companies have a market share of 1-14%, while only a few have more market shares. This could indicate that companies having more than 1-14% market share are considerably more successful, however further substantiation was based on brand performance relative to company's goals using sales growth as the indicator.

Accordingly, the correlation analysis between brand management strategy and brand performance showed the strongest correlation (.843) was between local strategy and "very far above goals", which suggests that it is the most successful strategy. Alden et al. (1999) emphasize that the local brand strategy can respond better to local needs as it is designed to respond to the local market's specific needs. By adopting a local brand management strategy, the brand enables association with local cultural meanings, reflects the local culture's norms and identities, is portrayed as consumed by local people in the national culture, and/or is depicted as locally produced for local people (Alden et al., 1999). Moreover, the local brand has the possibility of responding to local or international competition by repositioning and adapting the marketing mix accordingly (Schuiling & Kapferer, 2004). As indicated by our findings, the customer tastes and preferences in the American market are different from the Danish market; therefore the local brand management strategy will be a better approach in the American market. This is affirmed by Danish Industry, *"The American market is different from the European market; therefore localization would be a better approach"* (Danish Industry Interview, 2013). On the other hand, the major drawback of this strategy is its connotation to costs. The relatively small volumes of products that local brands sell prevent the brands from generating significant economies of scale in the product and marketing areas (Schuiling & Kapferer, 2004).

According to the Danish companies, the global strategy is indicated as the less successful strategy with strong correlation (.582) of "far below goals". Schuiling and Kapferer (2004) stated that the marketing strategy for a global brand must follow a predefined regional or global marketing strategy which uses a globally common language and global aesthetic styles to reach the target consumer segments in different markets. Ideally, the global branding can feature the notion that consumers all over the world consume it or use it, therefore creating a feeling of being one with the specific global culture in question. Advantages of global branding are many in terms of benefiting from strong economies of scale, message consistency and being able to attract common cross-national market segments through the use of global and standardized marketing programs, generation of significant cost reductions, and in particularly shifting to a single global brand name provides substantial savings in packaging and communication costs (Schuiling & Kapferer, 2004). Danish American Business Forum, explained that companies who typically pursue the global brand management strategy are advanced and have well-established marketing infrastructure. While, less well-established companies will most likely conform to the American market as they do not have to seek out as many synergies as the companies with their global strategies (DABF Interview, 2013). In addition, it could be that companies with global brand strategies face a greater challenge of balancing the global synergies while at the same time trying to optimize their performance in the respective local markets, therefore applying a local brand management strategy can sometimes be less costly and more effective for companies to adopt by creating advertisements locally than to import and adapt them in each different market (Aaker & Joachim, 1999). In regards to the challenges of synergies for companies with global brand strategies, this may explain why their brand performance goals relative to company's goal are lower than for companies pursuing a local brand management strategy.

Moreover, the slightly local brand strategy was indicated to be the second successful brand management strategy as there was a correlation (.516) with "far above goals", and the slightly global strategy has the correlation of (.733) to "a little above goals", therefore suggested being the third most successful strategy. According to the I-R framework, these two strategies are together referred to as a multifocal strategy. Many researchers highlight the difficulty in applying both global and local strategies in practice and stress the importance and necessity of both global and local strategy to be used simultaneously (Prahalad and Doz, 1986; Boddewyn et al., 1986; Douglas and Wind, 1987; Vrontis et al., 2003).

Nevertheless, further analysis indicates that determining which brand strategy is more successful is not as straightforward as can be judged by the sales growth indicator used in this research. Therefore, even though the local and multifocal brand management strategies were considered successful, not all Danish companies that have adopted these strategies were as successful. One of the reasons was that though the conceptualization of the strategy was good the execution was not as expected, thus affecting the successfulness of the strategy. Furthermore, whilst in a transition period with changes being implemented, the successfulness of the brand strategy is also affected. In addition, the explanation was given in relation to how long a company has been in the American market, because for the companies that have been there for a short time, it can be too early to decide if their local or multifocal brand management strategies are successful or not. On the other hand, for the Danish companies that have adopted a globally integrated brand management strategy, some of the reasons explained is that there was a mismatch between goal setting and the reality of achieving those goals. It was also found that it takes longer to be successful in the American market and therefore establishing realistic goals is important. Also, it was observed that despite the brand awareness in the American market being high, it did not necessarily translate to sales, thus affecting the sales growth. Moreover, for some companies, the American market was not their core market implying that less effort was being employed in order to be successful.

Our analysis established that a locally responsive and multifocal brand management strategy are more successful than globally integrated brand management strategy in the American market. However, it was also found that there are other factors that contribute to the success of a brand management strategy. In contrast, Samiee and Roth (1992) found that financial performance did not differ between companies using global or local marketing strategies indicating that it cannot be expected that local strategies are inherently more successful strategy than global strategies or vice versa (Samiee and Roth, 1992).

7.5.1. Subconclusion

Based on the above analysis, it is recognized that the locally responsive and multifocal brand management strategies are more successful than the globally integrated brand management strategy.

8. Discussion

This research examined how Danish companies in the American consumer goods market perceive consumer tastes and preferences, economic environment and competition in the American market in comparison to the Danish market, and how these market conditions affect their global or local brand management strategy. Having analyzed the market conditions through the Danish companies' perception, the results and major findings are discussed below.

8.1. Danish Companies' Perception of the Two Markets

Our findings indicate that Danish companies perceive all market conditions to be different in the two markets. In regards to consumer tastes and preferences that was analyzed through the five cultural dimensions (assertiveness, power distance, in-group collectivism, uncertainty avoidance and gender egalitarianism), it was established that four out of five dimensions differ in the two markets according to the Danish companies' perception. It was revealed that assertiveness and power distance are higher in the American market, while uncertainty avoidance and gender egalitarianism are higher in the Danish market. This indicates that Danish companies should respond to these cultural differences in their brand management strategy. Additionally, in-group collectivism is also considered higher in the Danish market; however the difference in the Danish companies' perception of this dimension in the two markets is negligible. This may indicate when formulating brand management strategy in the American market, it may not be necessary to take into consideration of in-group collectivism as it is perceived to be similar in the Danish market.

For economic environment, the Danish companies' perception of the three economic indicators (standard of living, average income and disposable income) is also considered to be different in the two markets. All three indicators were rated high in the two markets, but USA was rated higher, indicating that USA has a stronger level of economic environment than Denmark. Furthermore, the differences perceived in the two economic environments are because USA has wide rich and poor gap, whereas Denmark has one of the lowest gaps. This means that income earned would be used as a criteria for the target market selection in USA, while in Denmark income earned is a less important criteria because a lower gap between rich and poor imply that many people can afford to pay for their consumption.

In view of the competition, Danish companies perceive that the intensity of competition in regards to global and local competitors is higher in the American market than the Danish market. It was further elaborated that the Danish companies are aware of the massive size of the American market that makes it attractive to many companies. With more global and local competitors in the American market, this means that it is more competitive than the Danish market. As a result, many Danish companies apply different strategies to differentiate their brands in the American market, for example, applying story-telling in the market and reaching the consumers in different ways.

Based on the above discussion, when adopting a globally integrated or locally responsive brand management strategy in the American market, it is important for Danish companies to be aware of the many differences in the consumer tastes and preferences, economic environment and competition in the diverse American market.

8.2. The Three Market Conditions' Influence on Brand Management Strategy

In respect of the market conditions' influence on brand management strategy, this research confirms that the three market conditions influence brand management strategy and these findings are consistent with other scholars' findings (Roth 1992, Roth, 1995). However, our findings further indicate that not all three market conditions were perceived equally by Danish companies to influence their brand management strategy in the two markets. It was found that consumer tastes and preferences was perceive to influence brand management strategy to the highest extent while competition was perceived to influence brand management strategy to the lowest extent. There are several possible explanations for these findings. According to Kotler (2001), when companies define their target market, the first objective is to identify their target consumers in order to ensure that their strategy is focused on the specific market. This could be the reason behind why majority of Danish companies indicate that consumer tastes and preferences influence brand management strategy more than economic environment and competition. As it is important for Danish companies to ensure that their brand management strategy is focused on connecting with the tastes and preferences of their target consumers, this will determine the likelihood of the consumers buying their brands. However, some Danish companies did not consider that consumer tastes and preferences has the highest influence on brand management strategy. They answered that they do not build their brands around consumers as the life-cycle of the brand will be shortened; and result to them losing their competitive advantage. Instead, they build their brands upon their own philosophy and principles that they believe are much more effective and successful.

Economic environment was considered to have the second highest influence on brand management strategy. Several scholars attest to the linkage between economic environment and consumer needs (Wallendorf and Arnould, 1988; Roth, 1995). The reason why that it may have a lower influence than consumer tastes and preferences could be that after understanding the importance of consumer needs during target market selection, companies then consider the consumers' buying power. This indicates that Danish companies would therefore consider that consumer tastes and preferences influence their brand management strategy the most, before economic environment. However, in situations, where the economic environment's influence may not apply, is when it comes to necessary health issues. The interviewed hearing aid companies explained that the economic environment did not influence consumers' purchasing decisions which mean that economic environment influence brand management strategy to a lower extent in these situations.

Competition was considered to have the least influence on brand management strategy among the three market conditions. This may be explained by Danish companies targeting niche markets. In niche markets, there is typically less competition, and as a result, the companies consider that the competition influence their brand management strategy the least. Kotler (2001) stated that niche markets are fairly small and may only attract few rivals. Our results corroborate the findings of Roth (1992) who found that competition had slightly less impact on brand image performance and Vrontis et al. (2003) who indicated that competition was a minor predictor for adapting or standardizing marketing and branding strategies. Additionally, few of the Danish companies indicated that competition is a more influential market condition on brand management strategy. Kotler (2001) explained that mass-market segments are fairly large and normally attract several competitors. As a result, companies targeting mass-market would consider the competition to a high extent as the competitors are a threat to their market share.

Our research findings indicate that consumer tastes and preferences have the highest influence, economic environment the second highest influence, while competition has the least influence on brand management. However, the above discussion implies that this may not be the case for all companies as the degree of the three market conditions' influence may differ from company to company.

8.3. Preferable Brand Strategy to Adopt in the American Market

From our findings, it has been established that adopting a locally responsive brand management strategy and not a globally integrated brand management strategy would be preferable for the Danish companies in the American consumer goods market. As earlier indicated, Danish companies perceive the American and Danish markets to be different, meaning that they see the three market conditions as pressures for local responsiveness. Therefore, the adoption of a brand management strategy that is similar to the one implemented in Denmark may not result to the expected performance due to these differences in the two markets. These findings exemplify that the differences in the two markets need to be taken into consideration by Danish companies and adopting a locally responsive brand management strategy would be a better fit in the American market. Our findings are consistent with previous studies (Roth, 1992; Roth, 1995) who also found that when there are differences across markets, a customized brand image strategy is preferred by managers. Similarly, customization of the international marketing program was found to be favored by managers when market conditions across markets differ (Jain, 1989; Katsikeas et al., 2006;

Vrontis et al., 2003). In other words, it would be unreasonable to adopt a global brand management strategy, if they perceive the two markets to be different. As a result, adopting a locally responsive brand management strategy in the American market would be a sound response to the market differences.

Even though, our findings indicate that the preferred strategy is the locally responsive brand management strategy, not all companies adopted a locally responsive brand management strategy. Looking further into the specific industry, out of the six design furniture companies interviewed, only one had a local strategy, and as for the four companies within the home interior industry, none of them had a local strategy. This could imply that the locally responsive strategy may not be suitable for some industries. Possible explanations could be that Danish companies in these subsectors have the objective of creating cohesion with their brands across several markets, thereby adopting a global brand strategy.

It was also interesting that although our findings show that Danish companies perceive the two markets to be different, 6 out of 22 companies adopted a globally integrated brand management strategy. Possible explanations could be the companies' corporate strategy which requires them to adopt a similar brand management strategy in all markets. The company's size may also influence them to take a global approach as the brand management budget may be constrained; therefore adopting a local brand management strategy is not feasible. Moreover, some companies may not consider the American market as a core market, therefore do not further invest in a locally responsive brand management strategy.

Surprisingly, it was also found that Danish companies entering the American market tend to prefer to adopt a local brand strategy while established companies preferably adopt a global brand strategy. When looking at the companies with either global or local brand management strategy in the American market, it was discovered that 80% of the Danish companies that have been in the American market less than 10 years have a tendency to choose the local brand strategy. In contrast, 83% of Danish companies that have been in the market for more than 30 years adopted a global brand management strategy. A possible explanation for new entering companies could be that there is a demand to modify and respond to the American market's needs in the initial phase of market entrance. But as the companies become established and expand to other markets as well, they consider it more attractive to adopt a global brand strategy for all the markets.

Based on the above discussion, it should be emphasized that Danish companies who have successful brand management strategies in the Danish and as well as the European market should be aware of the fact that their brand management strategy may not apply for the American market, therefore it is suggested that they re-examine their brand strategies before entering the American market.

8.4. The Successfulness of Brand Management Strategy

When evaluating on the successfulness of brand management strategy based on market share and sales growth, there were indications of both locally responsive and multifocal brand management strategies being successful approaches with the local strategy being the most successful one. These findings were interesting and suggest that by applying a local or multifocal brand management strategy in the American market, Danish companies can effectively respond to American consumers' needs and attain better performance. The possible explanation for this could be due to the differences in the two markets as demonstrated by the Danish companies' perception. This indicates that these differences are considerable and implementing local brand management strategy would involve modifying the strategy to become a better fit for the American market, thus resulting to better performance. Likewise, the multifocal strategy is better performing as well because it somewhat tailors the brand management strategy better to fit the American market. On contrary, the global brand management may not be adapted to the American market; therefore do not respond well to the needs in the American market. Other possible explanations to why global brand strategy is less successful than local brand strategy could be in relation to the principles of these strategies. With the global brand management strategies, Danish companies would attempt to coordinate their strategies in all their markets, therefore the collaboration between the achievement of their corporate synergies and the local needs of the American market may be unattainable, resulting to the weak performance of the global brand strategy in the American market. In contrast, with the local brand management strategy, it is possible for Danish companies to respond to local needs and competition without having to pursue the corporate synergies, therefore this may lead to more effective performance in the American market. However, our findings are in contrast to Samiee and Roth's (1992) findings who found that financial performance did not differ between companies using global or local marketing strategies.

Surprisingly, it was also found that Danish companies with the global brand strategy, who perceive the market conditions to have less influence on their brand management strategy, had a respectively strong brand performance, while those, who perceive the market conditions to have high influence on the brand management strategy, had respectively weak brand performance. Specifically, three out of six companies with global brand strategy that indicated they perceive the market conditions to influence their strategy to a high extent, had a relatively weak brand performance. This could indicate that there is a mismatch between the companies' perception and implemented strategy. Based on the premise that perception influences strategy adopted, it can be argued that the three Danish companies with the weak global brand strategy performance have adopted an unsuitable strategy. Possible explanations for this could be due to the general corporate strategy being global or lack of resources to implement a local brand strategy.

It should be acknowledged that managing a successful brand management strategy does not simply depend on adopting the strategy. Even though, the local brand strategy showed to be successful, not all Danish companies interviewed were successful with this strategy, and likewise, not all Danish companies interviewed with a globally integrated brand management strategy were unsuccessful. This indicates that there are other possible factors that companies could face irrespective of which brand management strategy they adopt. One of the factors could be in relation to a mismatch between conceptualization and the execution of the brand management strategy. This means that even though the brand management strategy is well conceptualized, there may be some challenges with their execution, which would result, to a weak performance. Hence, it does not mean that the strategy adopted was a unsuitable strategy, but that its execution would need to be adjusted in order to ensure the expected results are achieved. Another challenge could be the lack of alignment between goal setting and the reality of achieving those goals. Companies usually set business goals that they expect to achieve within a certain time. However, if the goals are too ambitious, they may not be achieved regardless of the brand management strategy implemented.

An unanticipated finding was that companies less than 10 years in the American market had better sales growth in comparison to companies over 30 years. This indicates the successfulness of the brand strategy could be affected by the number of years Danish companies have been in the American market. A possible explanation could be in relation to the stage at which the company is at in the business life cycle. Usually, companies in the start-up and growth stages have higher sales growth than companies in the mature stage. This means that the Danish companies less than 10 years in the American market are more likely to be in the start-up or growth stages, while Danish companies over 30 years in the market are more likely to be in the mature stage.

Overall, our research findings indicate that adopting a locally responsive or multifocal brand management strategy would be more successful in the American market. However, becoming successful with your brand management strategy also depends on other factors than just adopting a global or local brand management strategy. This could be execution, goal-setting and the stages in which companies are at in the business life cycle. Therefore, Danish companies should be aware of these challenges regardless of which strategy that they adopt.

8.5. Subconclusion

In summary, our findings indicate that adopting a locally responsive brand management strategy in the American consumer goods market would be more successful than adopting a globally integrated brand management strategy. This finding seem to stand as the central outcome of our research as justified by the emphasis from the other findings. In reference to the differences perceived by the Danish companies, it was indicated that Danish companies should adopt a local brand strategy. Furthermore, in our investigation of which strategy would be preferable, it again showed that the local brand strategy was the one to adopt. Finally, the evaluation on successfulness of brand management strategy underlined the fact that the locally responsive brand management strategy is indeed the suitable approach for the American consumer goods market. The three findings appear to reinforce one another strongly indicating that locally responsive brand strategy in the American market should be the better approach for the Danish companies. Therefore, the findings in this research have an important implication for Danish companies within the American consumer goods market as they clearly indicate that there is a chain reaction that results from perception of market conditions to adoption of brand management strategy to successfulness of adopted brand strategy. It should also be emphasized that the adoption of brand management strategy should be done with insight, as implementation, company strategy and resources would also determine strategy successfulness.

9. Conclusion

Having examined the Danish companies' perception of the market conditions and their influence on companies' global or local brand management strategy, an understanding of the American and Danish markets' differences and the market conditions' influence on the brand management strategy has been established. This constituted the basis of the analysis and discussion, which was guided by the main research question and sub-research questions:

How do Danish companies in the consumer goods market perceive the market conditions of consumers' tastes and preferences, economic environment and competition in the American market in comparison to the Danish market, and how do these market conditions influence their global or local brand management strategy?

The sub-questions investigated were:

- Do Danish companies perceive the American and Danish markets to be similar or different?
- To what extent do consumers' tastes and preferences, economic environment and competition influence brand management strategy?
- Which brand management strategy should Danish companies adopt in the American consumer goods market?
- Is the global brand management strategy more successful than the local one in regards to Danish companies establishing themselves in the American market?

According to the Danish companies' perception of the American and Danish markets, they perceive the two markets to be different in consumer tastes and preferences, economic environment and competition. For consumer tastes and preferences, the assertiveness and power distance were considered high in the American market, while uncertainty avoidance and gender egalitarianism were considered high in the Danish market. Only in-group collectivism was somewhat similar in both markets. As for economic environment and competition, it was established that USA has a stronger economic environment and a more competitive market than Denmark. As a result, the Danish companies perceive that the two markets are generally different.

The three market conditions, from the Danish companies' perception and previous studies, showed to have an influence on the brand management strategy. The consumer tastes and preferences was found to influence the brand management strategy to the highest extent and competition had the lowest extent in respect of the two markets.

Concerning which brand management strategy should be adopted, it was observed that Danish companies in the American consumer goods market were more successful when adopting a locally responsive brand management strategy in the American market. This is because Danish companies perceive the market conditions in the American market to differ from the Danish market, indicating the existence of pressures for local responsiveness. Consequently, these pressures for local responsiveness necessitate Danish companies to adopt locally responsive brand management strategies in order to be able to meet the local needs of the American market in an effective way.

Our findings also pointed towards the locally responsive brand management strategy being the more successful one with most Danish companies implementing this strategy having a strong brand performance as measured by the sales growth in the past two years. Thus, adopting a locally responsive brand management strategy can enhance the effectiveness of the brand. By further elaborations, it also showed that adopting a locally responsive brand management strategy is not as straightforward. Not all Danish companies adopting the local brand strategy were successful, and companies implementing globally integrated brand management strategy face greater challenges of balancing the global synergies while at the same time trying to optimize their performance in the American market, therefore may explain why their successfulness is affected.

To summarize, the principal finding of our research is that Danish companies should adopt a locally responsive brand management strategy. This finding has been highlighted by their perception of the three market conditions as pressures for local responsiveness and supported by the fact that a locally responsive brand management strategy was found to be more successful than a globally integrated brand management strategy.

9.1. Contribution

In consideration of the above discussion and findings, it is found important to discuss the contribution of this thesis both to the business and to the academic field. To the business field, the findings reaffirm that managers' perception of the business environment is very crucial when it comes to adopting strategies. It has been confirmed that managers will make strategic decisions depending on how they perceive their business environment. This indicates that for any company with many managers who are making a joint strategy, it is important to ensure that the perceptions of the business environment of all the managers involved is similar or close to similar to ensure a strategy is adopted from a common point of view. This could be especially the case, where foreign markets are concerned due to the fact that lack of experience in the respective foreign market could result to a manager having a distorted perception of the foreign business environment.

Moreover, from this research it was established that some market conditions influence brand strategy more than others. With the consumer tastes and preferences being the market condition that influences brand management strategy the most in the American market, this could imply that the brand management strategy formulated would be in line with consumer tastes and preferences and less with competition and economic environment. In other words, this indicates that with complex business environment, companies should balance the contributing effect of the many market conditions to their strategies and make sensible decisions based on what is more important in order to develop a concise and competitive strategy.

This thesis has also contributed to the academic field. While, it was already established by other scholars that the three market conditions influence marketing and branding strategies, it was not yet established to what extent these market conditions affect brand management strategy. Even though the findings of this research cannot be generalized, it is noted that from the perception of Danish companies in respect of the American consumer goods market, consumer tastes and preferences influence brand management strategy the most. In addition, this research has documented the application of the I-R framework in capturing the Danish companies perception of the three market conditions in the American and the Danish market and has shown that the its dynamism is relevant in understanding the dilemma of adopting a globally integrated or locally responsive brand management strategy in different markets.

9.2. Limitations

The strength of our research is based on the size of the sample that enables us to compare and generalize our results. Consequently, our applied methods allow us to achieve the objective of our research and discover unexpected findings. However, it should be taken into account that the research contains some limitations.

Firstly, one could argue that selecting a study between American and Danish markets might not be quite comparable as USA is much bigger in size than Denmark. Instead, it would be more equivalent to compare USA to Europe or take a state in USA vis-a-vis Denmark. In this way, the results would have been more comparable. Also, when targeting the consumer goods market in USA as the scope of the research, a variety of different businesses have been covered, however it was not possible to get in contact with other industries as fashion, clothing and toy industries, which would have provided an even more comprehensive perception of the Danish companies in the American market. Also, the size of 22 companies is not enough to generalize across all Danish companies. Thus, a larger sample size is recommended to increase the reliability of the research, including additional industries.

Moreover, during the interviews, it was discovered that some companies found some of the questions to be too general because the American market is large and very diverse, and thus it was difficult for them to answer. For this reason, fine-tuned and more specific questions and measurements tools are needed. This research was also mainly done based on quantitative data but for further analysis of the companies' perceptions, in-depth interviews could help provide further clarification of their perceptions.

An important limitation of our findings is that brand management successfulness was measured using only one indicator. As a result, Danish companies could have answered that their brand management strategy was successful, although the sales growth indicator of brand performance were rated differently. Furthermore, sales growth has a limitation as it does not reflect companies being at different stages of the business life cycle. Therefore, by incorporating more indicators for this investigation, a better assessment of brand management successfulness would have been obtained.

Despite the above mentioned limitations, the findings from this research provide a starting point for empirical research on brand management strategy in the American consumer goods market. Danish companies in consumer goods market developing brand management strategies in the American market should be aware that their perception of the three market conditions influence the strategy they adopt. Consequently, careful consideration should be given in order to adopt a strategy that would be successful in the American market.

9.3. Recommendations

In the light of the conducted research, recommendations can be made intended for Danish companies in the American consumer goods market. It has been observed that the global brand management strategy in respect of the American and the Danish markets is not successful and that American market is different from the Danish one. However, it is also acknowledged that in the global business, sometimes being very local may not be an option due to the overall strategic direction of companies. Therefore, for Danish companies that being global is part of their overall strategy, and the American market is one of their core markets, a multifocal brand management strategy is recommended.

The multifocal brand management strategy has the advantage of either being more global or being more local. A multifocal brand management with a greater focus on being global would be a recommended brand management strategy for Danish companies that have a stronger emphasis on similar brand management strategy in both the Danish and the American market, but also want to be in a competitive position in serving the different needs of the American consumers. With this strategy, the global aspect would be maintained to a higher extent due to the similarities held in the brand strategy in the two markets, while at the same time, this would also increase the possibility of achieving a better performance in the American market.

On the other hand, a multifocal brand management strategy with stronger focus on being local would be ideal for a Danish company that wants to share similarities with the brand management in the Danish market, but at the same time want to have a stronger presence in the American market. This would therefore mean that the brand management strategy in the American market would not be managed entirely separately from the Danish market, but rather that some similarities would be synergized between the two markets. Therefore, with a stronger focus in the local market a brand strategy would be in a better position to optimize the differences presented by the American market and thus increase the company's performance.

9.4. Future research

Our research findings provide a starting point for identifying how managers' perceptions influence brand management strategy choice and the successfulness of those strategies. However, additional research is required, therefore the below suggestions are offered.

First of all, this research provides a good indicator of the American consumer goods market. However, it has to be noted that the American market is a very complicated market with many differences across the country. Due to size and diversities in cultures, USA is very diverse in itself as well as within the consumer goods market. Therefore, there are abundant room for investigating these differences in order to generate results that are more accurate. Additionally, research is also recommended in other selected markets in Asia, Africa and Europe that can highlight these issues.

In order to extend on some of the results reported in this thesis, it would also be interesting to find out from the Danish companies why they perceive the American and Danish market the way they do. For instance, further information in understanding why Danish managers point out that consumer tastes and preferences influence their brand management strategy to a higher extent than does economic environment or competition would be of value. In respect of brand management strategy performance, more indicators should be applied for more extensive examination. Moreover, further studies should try to find out why Danish companies with the global strategy, who perceive the market conditions to have less influence on their brand management strategy, had a respectively strong brand performance, while those, who perceive the market conditions to have high influence on the brand management strategy, had respectively weak brand performance. Further investigation can giving a greater insight into whether disregarding the market conditions while having a global strategy would be effective. Also, more information into some of our unexpected findings could be explored. For instance, it was found that new entering Danish companies in the American market tend to prefer to adopt a locally responsive brand management strategy while established companies preferred a globally integrated brand management strategy. Whether the American market necessitates a local brand management strategy for the foreign entry companies within consumer goods market could be an interesting issue.

Moreover, the research looked at consumer goods market as one entity despite the market having diverse sub-sector/industry types of companies. As a result, the findings of this research would be sufficiently good indicators for the companies in the consumer goods market. However, further comparative research on companies in their respective sub-sector/specific industries would bring more light into this issue within the specific sub-sector, and thus provide data and information that would be more useful for the companies in their respective different sub-sectors.

As this research is more focused on the external market conditions influencing a global or local brand management strategy, it is also necessary to see what triggers the companies from within the organization to adopt the respective brand strategy. Although, our findings confirm that there are contributing external market conditions that induce companies to adopt a global or local brand strategy, further studies with more focus on the companies' overall corporate strategy and tangible and intangible resources combined with the consideration of the market conditions is suggested. Such a research would be able to provide companies with guidance into executing a successful brand management strategy in the respective markets. As companies are set up very differently from each other, selecting which strategy that is both conducive for the company in relation to its market depend on several factors. For this reason, future studies on the current topic are therefore recommended.

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11. Appendix

Interviewed Danish Companies and Experts

Danish Companies

1. Henning Kallesen, Export Manager, Toms Group
2. Søren Egesborg, Sales Director, Odense marcipan
3. Rasmus Børsting, Executive Director, Oticon
4. Carsten Pedersen, President at BoConcept USA Inc.
5. David Rosenkvist, VP Sales North America Fritz Hansen
6. Claus Sørensen, Sales Manager, Eilersen
7. Kasper Holst Pedersen, Sales Manager PP Møbler
8. Kim Monrad, Sales Manager Verpan
9. Mette Breindahl, Export Manager Stelton
10. Nital Patel, Associate Brand Director, Jacob Jensen
11. Lars Heede, Export Manager EVA SOLO
12. Rafael Nisenbaum, Sales Manager, AIAIAI
13. Thomas Knudsen, Area Sales Manager, Dali
14. Angel Ilagan, VP Marketing Pandora USA
15. Michael Bellevue, President Trollbeads USA
16. Johan Møller Jensen, President at Beaute Pacifique Skin Care North America
17. Hanna Andersen, Sales Director, Maileg
18. Lene Nedergaard, Leader for Centre of Excellence, ECCO
19. Mette Hofman, Marketing Director, Arla
20. Malene Molin, Business Development Manager Room Copenhagen
21. Anne Frederiksen, Regional Vice President Sales, Louis Poulsen Lighting
22. Per Holman, Brand Identity Manager, Widex

Experts

1. Kinga Valerie Szabo, General Manager Danish Industry US office
2. Einar Dyrhauge, Executive Director, Danish American Business Forum
3. Charlotte Wetche, Brand Consultant, Brand Emphasis

Interview Questions

Introduction

Thank you for agreeing to this interview. The purpose of this research is to find out which market conditions influence Danish companies in adopting a global, local or mixed brand management strategy. Furthermore, the data collected will only be used for academic research. All participants can request confidentiality and will remain anonymous. Only the researchers (Catarina Trinh and Misha Madsen) will have access to view any data collected during this research.

The interview is divided into three parts. First part contains personal details about you. The second part includes questions about your company's brand management strategy and brand image. Lastly, the third part deals with three market conditions: Consumers' tastes and preferences, economic environment and competition which will be briefly looked at during the interview.

If you have any questions, please do not hesitate to contact us. Thank you again for your valuable time.

PART I: Personal Details

Name:

Position:

How long have you been working for XXX?

How long have you been in charged/worked in the US market in your position?

How long has XXX been in the US market?

PART II: Branding

Brand Management Strategy

1) Tell us briefly what your brand is known for

2) How would you describe your brand management strategy in the US market as compared to the Danish market? *(Tick one box only)*

1 ☐	2 ☐	3 ☐	4 ☐
Very Similar to brand management strategy in Denmark	**Slightly Similar** to brand management strategy in Denmark	**Slightly Different** to brand management strategy in Denmark	**Very Different** to brand management strategy in Denmark

Comments

3) Please rate the following about your brand
   (Tick one box only for each question)

Brand Values	All values are similar in the two markets	Many values are similar in the two markets	Some values are similar in the two markets	None of values are similar in the two markets
a) How would you describe your core brand values both in the US and Danish market?	☐	☐	☐	☐
b) How would you describe your other brand values both in the US and Danish market?	☐	☐	☐	☐

4) Do you position your brand differently in the US market such as targeting high-end or low-end market? Please rate on a pointer scale of 1 (similar) and 7 (different)? *(Tick one box only)*

Similar	1 ☐	2 ☐	3 ☐	4 ☐	5 ☐	6 ☐	7 ☐	Different

Please elaborate

5) To which extent do you think your target consumers share similar or different perception of your brand positioning in US and Denmark based on a pointer scale of 1 (similar) and 7 (different)? *(Tick one box only)*

Similar	1 ☐	2 ☐	3 ☐	4 ☐	5 ☐	6 ☐	7 ☐	Different

Brand Image

6) Please rate the following brand image characteristics based on a pointer scale of 1 (small extent) and 7 (large extent).
   (Tick one box only for each question for each market)

Brand Image Characteristics		1	2	3	4	5	6	7
a) To which extent do you emphasize a functional brand image? (e.g. fulfillment of basic consumer needs, problem solving and problem prevention)	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐

b) To which extent do you emphasize a social brand image? (e.g. conveys status, social approval, group affiliation and accreditation)	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
c) To which extent do you emphasize a sensory brand image? (e.g., provides variety and novelty, stimulation, sensory gratification)	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐

PART III: Market Conditions

Consumers' Tastes and Preferences

7) In your opinion, how would you describe the target consumers in the US?

8) What would you say are the three main differences between your target consumers in the US and Denmark?

9) Do you serve the same market segment in both US and Denmark?

10) Please rate the following statements about consumers based on a pointer scale of 1 (small extent) and 7 (large extent).

(Tick one box only for each question in each market)

Statements		1	2	3	4	5	6	7
a) To which extent do you think your brand is associated with cultural meanings in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
b) To which extent do you perceive that your target consumers plan meticulously ahead for their future purchases?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
c) To which extent do you perceive your target consumers to be willing and try new products in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
d) To which extent do you perceive self-actualization to be important for your target consumers in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
e) To which extent do you perceive your target consumers to be influenced by their family and in-groups to buy your product in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
f) To which extent do you perceive your target consumers to be aggressive and confrontational in dealing with others and expressing themselves in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
g) To which extent do you perceive your target consumers to communicate directly in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
h) In general, to which extent do you perceive the distribution of household responsibilities to be shared by men and women in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
i) To which extent do you perceive the target	US market	☐	☐	☐	☐	☐	☐	☐

consumers to prioritize social outcomes than monetary rewards in the two markets?	Danish market	☐	☐	☐	☐	☐	☐	☐
j) To which extent do you perceive your target consumers to use brands to demonstrate their social status in their society?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
k) To which extent do you perceive that your target consumers emphasize the importance of power/wealth in their society?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
l) To which extent do you think that consumer tastes and preferences influence your brand management decision in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐

Economic environment

11) Please rate the following statements about economic environment based on a pointer scale of 1 (low) and 7 (high)
(Tick one box only for each question in each market)

Statements		1	2	3	4	5	6	7
a) How do you perceive the standard of living to be in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
b) How do you perceive that the target consumers have the same level of income in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐

12) Please rate the following statements about economic environment based on a pointer scale of 1 (small extent) and 7 (large extent).
(Tick one box only for each question in each market)

Statements		1	2	3	4	5	6	7
a) To which extent do you perceive that consumers spend a substantial amount of their disposable	US market	☐	☐	☐	☐	☐	☐	☐

income on luxury goods in the two markets?	Danish market	☐	☐	☐	☐	☐	☐	☐
b) To which extent do you think that economic environment in the two markets influence your brand management decision?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐

Competition

13) Please rate the following statements about number of competitors based on a pointer scale of 1 (few competitors) and 7 (many competitors).
(Tick one box only for each question in each market)

Statements		**1**	**2**	**3**	**4**	**5**	**6**	**7**
a) How large a number of local competitors are there for your company in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐
b) How large a number of global competitors are there for your company in the two markets?	US market	☐	☐	☐	☐	☐	☐	☐
	Danish market	☐	☐	☐	☐	☐	☐	☐

14) How big is your market share in the US and Danish market compared to the competitors?
(Tick one box only for each market)

	1-14%	14- 28%	28-42%	42-58%	58-72%	72-86%	86-100%
US	☐	☐	☐	☐	☐	☐	☐
DK	☐	☐	☐	☐	☐	☐	☐

15) From your experience, in regards to the competitive environments of USA and Denmark, how would you rate your brand differentiation in these two markets? *(Tick one box only)*

Low differentiation	1	2	3	4	5	6	7	High differentiation
US	☐	☐	☐	☐	☐	☐	☐	
DK	☐	☐	☐	☐	☐	☐	☐	

16) To which extent do you think that competition in your industry influence your brand management decision in the US and Danish market
(Tick one box only for each market)

Small extent	1	2	3	4	5	6	7	Large extent
US	☐	☐	☐	☐	☐	☐	☐	
DK	☐	☐	☐	☐	☐	☐	☐	

17) How has your brand performed for the last two years in the US market relative to your company's goals on the following dimensions? *(Tick one box only)*

	Far below goals	Just meets goals	Far above goals
Sales growth	-5 ☐ -4 ☐ -3 ☐ -2 ☐	-1 ☐ 0 ☐ +1☐ +2 ☐	+3 ☐ +4 ☐ +5 ☐

18) Do you think your brand strategy is successful in the US market?

19) Any other comments you would like to add?

Frequencies

Industry type

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Beauty products	1	4,5	4,5	4,5
	Confectionary	2	9,1	9,1	13,6
	Design furniture	6	27,3	27,3	40,9
	Electronics	2	9,1	9,1	50,0
	Food	1	4,5	4,5	54,5
	Hearing instruments	2	9,1	9,1	63,6
	Jewelry	2	9,1	9,1	72,7
	Home interior decorations	4	18,2	18,2	90,9
	Shoes and clothing	1	4,5	4,5	95,5
	Toys	1	4,5	4,5	100,0
	Total	22	100,0	100,0	

Family owned business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	11	50,0	50,0	50,0
	No	11	50,0	50,0	100,0
	Total	22	100,0	100,0	

Years worked for the company

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1,40	1	4,5	4,5	4,5
	2,00	4	18,2	18,2	22,7
	2,50	1	4,5	4,5	27,3
	3,00	3	13,6	13,6	40,9
	4,00	1	4,5	4,5	45,5
	5,00	3	13,6	13,6	59,1
	7,00	1	4,5	4,5	63,6
	9,50	1	4,5	4,5	68,2
	10,00	1	4,5	4,5	72,7
	11,00	1	4,5	4,5	77,3
	12,00	2	9,1	9,1	86,4
	15,00	1	4,5	4,5	90,9
	20,00	1	4,5	4,5	95,5
	25,00	1	4,5	4,5	100,0

	Total	22	100,0	100,0	

Number of years worked in USA

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-5 years	3	13,6	14,3	14,3
	1,50	1	4,5	4,8	19,0
	6-10 years	4	18,2	19,0	38,1
	2,50	1	4,5	4,8	42,9
	11-15 years	3	13,6	14,3	57,1
	16-20 years	1	4,5	4,8	61,9
	Above 20 years	3	13,6	14,3	76,2
	7,00	1	4,5	4,8	81,0
	9,50	1	4,5	4,8	85,7
	10,00	1	4,5	4,8	90,5
	20,00	2	9,1	9,5	100,0
	Total	21	95,5	100,0	
Missing	99,00	1	4,5		
Total		22	100,0		

Amount of years the companies have been in USA

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	6-10 years	1	4,5	4,5	4,5
	Above 20 years	1	4,5	4,5	9,1
	6	1	4,5	4,5	13,6
	7	1	4,5	4,5	18,2
	8	1	4,5	4,5	22,7
	9	1	4,5	4,5	27,3
	10	3	13,6	13,6	40,9
	15	1	4,5	4,5	45,5
	20	2	9,1	9,1	54,5
	25	3	13,6	13,6	68,2
	26	1	4,5	4,5	72,7
	27	1	4,5	4,5	77,3
	30	2	9,1	9,1	86,4
	49	1	4,5	4,5	90,9
	50	1	4,5	4,5	95,5

		Frequency	Percent	Valid Percent	Cumulative Percent
	80	1	4,5	4,5	100,0
	Total	22	100,0	100,0	

Brand positioning

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very similar	5	22,7	22,7	22,7
	Similar	5	22,7	22,7	45,5
	Somewhat similar	4	18,2	18,2	63,6
	Neutral	1	4,5	4,5	68,2
	Somewhat different	6	27,3	27,3	95,5
	Different	1	4,5	4,5	100,0
	Total	22	100,0	100,0	

Consumers' brand perception

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very similar	4	18,2	18,2	18,2
	Similar	2	9,1	9,1	27,3
	Somewhat similar	5	22,7	22,7	50,0
	Somewhat different	4	18,2	18,2	68,2
	Different	6	27,3	27,3	95,5
	Very different	1	4,5	4,5	100,0
	Total	22	100,0	100,0	

Functional brand images US

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	6	27,3	27,3	27,3
	Low	3	13,6	13,6	40,9
	Inbetween	1	4,5	4,5	45,5
	Somewhat high	5	22,7	22,7	68,2
	High	1	4,5	4,5	72,7
	Very high	6	27,3	27,3	100,0
	Total	22	100,0	100,0	

Functional brand images DK

		Frequency	Percent	Valid Percent	Cumulative Percent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	4	18,2	18,2	18,2
	Low	5	22,7	22,7	40,9
	Somewhat low	2	9,1	9,1	50,0
	Inbetween	2	9,1	9,1	59,1
	Somewhat high	2	9,1	9,1	68,2
	High	1	4,5	4,5	72,7
	Very high	6	27,3	27,3	100,0
	Total	22	100,0	100,0	

Social brand images in US

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	3	13,6	13,6	13,6
	Low	4	18,2	18,2	31,8
	Somewhat low	3	13,6	13,6	45,5
	Inbetween	2	9,1	9,1	54,5
	Somewhat high	4	18,2	18,2	72,7
	High	2	9,1	9,1	81,8
	Very high	4	18,2	18,2	100,0
	Total	22	100,0	100,0	

Social brand images in DK

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	1	4,5	4,5	4,5
	Low	2	9,1	9,1	13,6
	Somewhat low	2	9,1	9,1	22,7
	Inbetween	4	18,2	18,2	40,9
	Somewhat high	6	27,3	27,3	68,2
	High	3	13,6	13,6	81,8
	Very high	4	18,2	18,2	100,0
	Total	22	100,0	100,0	

Sensory brand image in US

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	2	9,1	9,1	9,1
	Low	2	9,1	9,1	18,2
	Somewhat low	2	9,1	9,1	27,3
	Inbetween	2	9,1	9,1	36,4

		Frequency	Percent	Valid Percent	Cumulative Percent
	Somewhat high	7	31,8	31,8	68,2
	High	2	9,1	9,1	77,3
	Very high	5	22,7	22,7	100,0
	Total	22	100,0	100,0	

Sensory brand image in DK

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	2	9,1	9,1	9,1
	Somewhat low	3	13,6	13,6	22,7
	Inbetween	3	13,6	13,6	36,4
	Somewhat high	7	31,8	31,8	68,2
	High	2	9,1	9,1	77,3
	Very high	5	22,7	22,7	100,0
	Total	22	100,0	100,0	

Consumer tastes and preferences' influence on branding in US

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	3	13,6	13,6	13,6
	Low	2	9,1	9,1	22,7
	Somewhat low	3	13,6	13,6	36,4
	Inbetween	3	13,6	13,6	50,0
	Somewhat high	6	27,3	27,3	77,3
	High	3	13,6	13,6	90,9
	Very high	2	9,1	9,1	100,0
	Total	22	100,0	100,0	

Consumer tastes and preferences' influence on branding in DK

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	2	9,1	9,1	9,1
	Low	2	9,1	9,1	18,2
	Somewhat low	3	13,6	13,6	31,8
	Inbetween	2	9,1	9,1	40,9
	Somewhat high	5	22,7	22,7	63,6

		Frequency	Percent	Valid Percent	Cumulative Percent
	High	6	27,3	27,3	90,9
	Very high	2	9,1	9,1	100,0
	Total	22	100,0	100,0	

Influence of economic environment on branding in US

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	3	13,6	13,6	13,6
	Low	9	40,9	40,9	54,5
	Somewhat high	5	22,7	22,7	77,3
	High	3	13,6	13,6	90,9
	Very high	2	9,1	9,1	100,0
	Total	22	100,0	100,0	

Influence of economic environment on branding in DK

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	2	9,1	9,1	9,1
	Low	8	36,4	36,4	45,5
	Inbetween	3	13,6	13,6	59,1
	Somewhat high	5	22,7	22,7	81,8
	High	3	13,6	13,6	95,5
	Very high	1	4,5	4,5	100,0
	Total	22	100,0	100,0	

Influence of competition on branding in US

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	2	9,1	9,1	9,1
	Low	4	18,2	18,2	27,3
	Somewhat low	4	18,2	18,2	45,5
	Inbetween	3	13,6	13,6	59,1
	Somewhat high	4	18,2	18,2	77,3
	High	4	18,2	18,2	95,5
	Very high	1	4,5	4,5	100,0
	Total	22	100,0	100,0	

Influence of competition on branding in DK

		Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Very low	3	13,6	13,6	13,6
	Low	3	13,6	13,6	27,3
	Somewhat low	6	27,3	27,3	54,5
	Inbetween	2	9,1	9,1	63,6
	Somewhat high	2	9,1	9,1	72,7
	High	4	18,2	18,2	90,9
	Very high	2	9,1	9,1	100,0
	Total	22	100,0	100,0	

Market share in US

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-14%	17	77,3	89,5	89,5
	58-72%	1	4,5	5,3	94,7
	86-100%	1	4,5	5,3	100,0
	Total	19	86,4	100,0	
Missing	NA	3	13,6		
Total		22	100,0		

Market share in DK

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-14%	4	18,2	23,5	23,5
	14-28%	6	27,3	35,3	58,8
	28-42%	2	9,1	11,8	70,6
	42-58%	2	9,1	11,8	82,4
	58-72%	2	9,1	11,8	94,1
	72-86%	1	4,5	5,9	100,0
	Total	17	77,3	100,0	
Missing	NA	5	22,7		
Total		22	100,0		

Brand performance relative to company's goal

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Far below goals	1	4,5	4,8	4,8
	Slightly below goals	3	13,6	14,3	19,0
	A little below goals	1	4,5	4,8	23,8

	Just meets goals	2	9,1	9,5	33,3
	A little above goals	3	13,6	14,3	47,6
	Slightly above goals	5	22,7	23,8	71,4
	Somewhat above goals	1	4,5	4,8	76,2
	Far above goals	2	9,1	9,5	85,7
	Very far above goals	3	13,6	14,3	100,0
	Total	21	95,5	100,0	
Missing	NA	1	4,5		
Total		22	100,0		

Hypothesis Testing

Consumer tastes and preferences

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,577[a]	,333	-,273	1,29011

a. Predictors: (Constant), Mean_UAI_DK, Mean_GE_USA, Mean_Ass_USA, Mean_Ass_DK, Mean_GE_DK, Mean_PD_USA, Mean_ICG_USA, Mean_PD_DK, Mean_UAI_US, Mean_ICG_DK

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9,146	10	,915	,550	,823[b]
	Residual	18,308	11	1,664		
	Total	27,455	21			

a. Dependent Variable: Brand Management Strategy in USA

b. Predictors: (Constant), Mean_UAI_DK, Mean_GE_USA, Mean_Ass_USA, Mean_Ass_DK, Mean_GE_DK, Mean_PD_USA, Mean_ICG_USA, Mean_PD_DK, Mean_UAI_US, Mean_ICG_DK

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	3,080	2,894		1,064	,310
	Mean_GE_USA	-,010	,250	-,012	-,041	,968
	Mean_GE_DK	,050	,239	,075	,209	,838
	Mean_ICG_USA	-,707	,439	-,661	-1,612	,135
	Mean_ICG_DK	,296	,474	,292	,625	,545
	Mean_Ass_USA	,119	,239	,168	,500	,627
	Mean_Ass_DK	-,105	,266	-,122	-,394	,701
	Mean_PD_USA	-,255	,352	-,287	-,725	,484
	Mean_PD_DK	,188	,306	,243	,613	,552
	Mean_UAI_US	-,045	,388	-,049	-,117	,909
	Mean_UAI_DK	,288	,338	,257	,851	,413

a. Dependent Variable: Brand Management Strategy in USA

Economic Environment

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	,555[a]	,307	-,039	1,23973	,307	,888	6	12	,533	1,892

a. Predictors: (Constant), Disposable income in DK, Disposable income in US, Standard of Living in DK, Average income in US, Standard of Living in US, Average income in DK

b. Dependent Variable: Brand Management Strategy in USA

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8,188	6	1,365	,888	,533[b]
	Residual	18,443	12	1,537		
	Total	26,632	18			

a. Dependent Variable: Brand Management Strategy in USA

b. Predictors: (Constant), Disposable income in DK, Disposable income in US, Standard of Living in DK, Average income in US, Standard of Living in US, Average income in DK

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.	Collinearity Statistics Tolerance	Collinearity Statistics VIF
1	(Constant)	4,045	1,459		2,772	,017		
	Standard of Living in US	-,483	,308	-,568	-1,566	,143	,438	2,282
	Standard of Living in DK	,597	,405	,817	1,473	,166	,188	5,321
	Average income in US	,182	,232	,231	,785	,448	,663	1,508
	Average income in DK	-,496	,460	-,564	-1,080	,302	,211	4,735
	Disposable income in US	,056	,237	,074	,237	,817	,587	1,705
	Disposable income in DK	-,273	,223	-,325	-1,227	,243	,822	1,216

a. Dependent Variable: Brand Management Strategy in USA

Competition

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	,292[a]	,085	-,130	1,21546	,085	,396	4	17	,809	1,712

a. Predictors: (Constant), Degree of global competitors in DK, Degree of local competitors in US, Degree of local competitors in DK, Degree of global competitors in US

b. Dependent Variable: Brand Management Strategy in USA

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2,340	4	,585	,396	,809[b]
	Residual	25,115	17	1,477		
	Total	27,455	21			

a. Dependent Variable: Brand Management Strategy in USA

b. Predictors: (Constant), Degree of global competitors in DK, Degree of local competitors in US, Degree of local competitors in DK, Degree of global competitors in US

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3,175	1,035		3,067	,007		
	Degree of local competitors in US	-6,024E-005	,269	,000	,000	1,000	,225	4,437
	Degree of local competitors in DK	-,042	,244	-,062	-,174	,864	,429	2,330
	Degree of global competitors in US	-,169	,268	-,305	-,633	,535	,231	4,324
	Degree of global competitors in DK	,087	,226	,122	,385	,705	,536	1,866

a. Dependent Variable: Brand Management Strategy in USA

Cronbach's Alpha Coefficient

Consumer tastes and preferences

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,456	,448	22

Economic Environment

Reliability Statistics

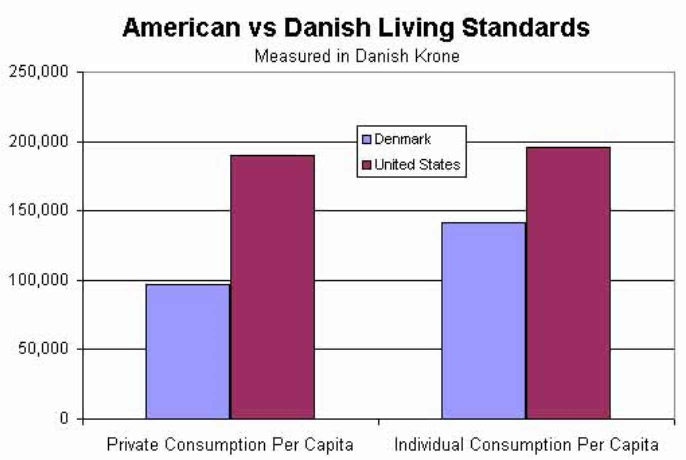
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,703	,713	8

Competition

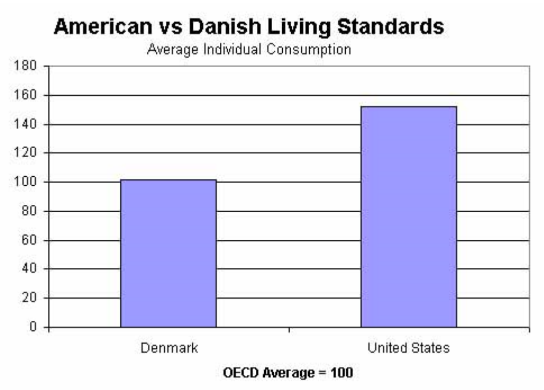
Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
,602	,586	8

Danish Ministry figures on per-capita individual consumption



OECD's table of average individual consumption



Calculated 2011 Concentration Ratios for the largest 4 firms (CR_4) for different subsectors based on Data retrieved from Euromonitor International

Chocolate in USA: CR4 is 75.61% and CR8 in 2011

Table 6 Chocolate Confectionery Company Shares 2008-2012

% retail value rsp	2008	2009	2010	2011	2012
Mars Inc	33.27	33.39	33.87	34.44	34.93
Hershey Co, The	33.67	34.29	34.43	34.82	34.63
Nestlé USA Inc	4.14	4.08	4.04	3.97	3.93
Lindt & Sprüngli USA Inc	1.99	2.07	2.29	2.38	2.49
Russell Stover Candies Inc	2.21	2.22	2.28	2.29	2.27
Godiva Chocolatier Inc	1.99	2.03	2.03	2.01	2.02
Ghirardelli Chocolate Co	1.27	1.41	1.54	1.55	1.55

Chocolate in Denmark: CR4 is 60.02%

Table 6 Chocolate Confectionery Company Shares 2008-2012

% retail value rsp	2008	2009	2010	2011	2012
Toms Gruppen A/S	30.29	29.62	29.34	30.68	31.30
Kraft Foods Danmark A/S	13.35	13.83	14.18	14.40	14.81
Mars Danmark A/S	9.04	8.55	8.46	8.34	8.36
Ferrero Scandinavia AB	6.28	6.53	6.57	6.60	6.40
Nestlé Danmark A/S	5.81	6.17	6.12	5.93	5.81
Alfred Ritter A/S	4.64	4.80	4.88	4.60	4.46

Cheese in USA: CR4 is 42.92%

Table 7 Cheese Company Shares 2008-2012

% retail value rsp	2008	2009	2010	2011	2012
Kraft Foods Inc	30.71	29.27	28.73	27.73	27.75
Kroger Co	6.08	6.51	6.52	6.45	6.68
Sargento Foods Inc	4.18	4.58	4.92	4.70	4.91
Safeway Inc	3.76	4.04	4.07	4.04	4.19
Land O' Lakes Inc	3.80	3.63	3.54	3.36	3.34
Wal-Mart Stores Inc	2.47	2.71	2.62	2.51	2.51
Arla Foods USA	1.66	1.87	2.13	2.17	2.36

Cheese in Denmark: CR4 is 62.54%

Table 7 Cheese Company Shares 2008-2012

% retail value rsp	2008	2009	2010	2011	2012
Arla Foods Amba	47.31	45.82	46.41	46.41	46.50
Kraft Foods Danmark A/S	4.76	4.82	5.45	6.03	6.72
Dansk Supermarked A/S	4.73	4.97	5.05	5.21	5.30
Coop Danmark A/S	4.40	4.64	4.75	4.89	4.98
Them Andelsmejeri	2.68	2.79	2.64	2.75	2.89
Thise Mejeri Amba	2.19	2.53	2.21	2.37	2.44
Lactalis, Groupe	2.73	2.79	2.64	2.47	2.33

Sportswear in USA: CR4 32.1%

Table 5 Sportswear Company Shares 2008-2012

% retail value rsp	2008	2009	2010	2011	2012
Nike Inc	16.2	17.7	17.0	17.4	18.5
adidas America Inc	7.8	7.0	7.7	8.2	7.5
VF Corp	3.1	3.0	3.4	4.4	4.3
Under Armour Inc	1.2	1.5	1.7	2.1	2.4
Hanesbrands Inc	2.1	2.2	2.2	2.1	2.2
Columbia Sportswear Co	1.5	1.5	1.8	1.8	1.7
Skechers USA Inc	2.3	2.4	3.3	2.0	1.6

Sportswear in Denmark : CR4 is 46.8%

Table 3 Sportswear Company Shares 2008-2012

% retail value rsp	2008	2009	2010	2011	2012
Nike Denmark ApS	13.4	13.5	13.9	14.2	14.4
adidas Danmark A/S	13.0	12.7	12.8	13.1	13.4
Hummel International Sport & Leisure A/S	11.5	11.3	11.4	11.8	12.1
IC Companys A/S	5.4	8.0	7.4	7.7	7.6
Asics Danmark A/S	4.4	4.4	4.4	4.4	4.4
H&M Hennes & Mauritz A/S	4.1	4.1	4.1	4.1	4.3
Puma Danmark A/S	4.3	4.3	4.3	4.3	4.2

Footwear in USA: CR4 is 24.9%

Table 5 Footwear Company Shares 2008-2012

% retail value rsp	2008	2009	2010	2011	2012
Nike Inc	12.5	14.1	13.3	13.7	14.9
adidas America Inc	5.4	4.9	5.2	5.4	5.0
Payless ShoeSource Inc	3.7	3.7	3.4	3.0	3.0
Deckers Outdoor Corp	1.9	2.2	2.4	2.8	2.8
Wolverine World Wide Inc	2.3	2.2	2.4	2.5	2.5
Jones Apparel Group Inc	2.2	2.1	2.2	2.1	2.0
Skechers USA Inc	2.6	2.7	3.8	2.3	1.9
Steve Madden Ltd	0.9	1.1	1.2	1.5	1.8

Footwear in Denmark: CR4 is 25.2%

% retail value rsp	2008	2009	2010	2011	2012
Ecco Sko A/S	8.3	8.4	8.5	9.2	9.4
H&M Hennes & Mauritz A/S	4.7	5.1	6.5	6.5	6.7
Bianco Footwear A/S	7.0	6.7	6.0	6.1	6.1
Shoe-d-vision Amba	0.5	3.5	3.4	3.4	3.3
Nike Denmark ApS	2.6	2.6	2.9	3.1	3.2
Hummel International Sport & Leisure A/S	2.3	2.2	2.2	2.4	2.5
Bestseller A/S	2.6	2.3	2.2	2.5	2.5
adidas Danmark A/S	2.3	2.2	2.2	2.4	2.5

Apparel in USA: CR4 10.7%

Table 5 Apparel Company Shares 2008-2012

% retail value rsp	2008	2009	2010	2011	2012
Nike Inc	3.4	3.7	3.5	3.7	4.2
Gap Inc, The	3.4	3.4	3.2	3.0	3.1
Wal-Mart Stores Inc	2.9	2.5	2.3	2.2	2.3
Hanesbrands Inc	1.8	1.8	1.9	1.8	1.8
VF Corp	1.4	1.5	1.5	1.8	1.8
adidas America Inc	1.6	1.4	1.5	1.7	1.6

Apparel in Denmark: CR4 19.3%

Table 5 Apparel Company Shares 2008-2012

% retail value rsp	2008	2009	2010	2011	2012
H&M Hennes & Mauritz A/S	7.0	8.2	9.6	9.5	10.1
Bestseller A/S	4.7	5.0	5.2	5.4	5.4
IC Companys A/S	2.4	2.8	2.5	2.8	2.7
Ecco Sko A/S	1.4	1.5	1.5	1.6	1.7
Nike Denmark ApS	1.1	1.1	1.2	1.3	1.3
adidas Danmark A/S	1.1	1.1	1.1	1.2	1.2
Dansk Supermarked A/S	1.0	1.0	1.1	1.1	1.1

Clothing accessories in USA: CR4 13.2% in 2011

Table 5 Clothing Accessories Company Shares 2008-2012

% retail value rsp	2008	2009	2010	2011	2012
Nike Inc	4.4	4.5	4.0	4.4	4.8
Phillips-Van Heusen Corp	2.5	2.5	2.9	3.0	2.7
Gap Inc, The	3.0	3.0	2.8	2.7	2.6
JC Penney Co Inc	1.1	1.1	1.0	3.1	2.5
Jones Apparel Group Inc	3.0	2.6	2.5	2.5	2.3
VF Corp	1.6	1.5	1.7	2.2	2.2

Clothing accessories in Denmark: CR4 is 26.7%

Table 5 Clothing Accessories Company Shares 2008-2012

% retail value rsp	2008	2009	2010	2011	2012
Bestseller A/S	8.4	9.1	10.6	11.2	11.1
H&M Hennes & Mauritz A/S	4.1	5.0	5.7	5.8	6.1
Solo Clothing Co A/S	5.7	5.0	5.0	5.0	4.9
CNS Group A/S	-	-	-	4.7	3.7
Message A/S	2.4	2.3	2.3	2.4	2.3
Wagner Detail I/S	1.8	1.8	1.7	1.8	1.8
IC Companys A/S	1.7	1.8	1.6	1.7	1.7