

Being delicious and being happy

The Coca-Cola Corporation can be deliciously happy about its success in adopting a “glocal” marketing strategy in the world’s biggest emerging consumer nation

The art of being: Zen for the modern world?

Zen, or Ch’an Buddhism is a form of the religion which was brought to China in the fifth century by a monk named Bodhiharma. Ch’an or Zen, the more common Japanese form of the term, focuses on the nature of being, rather than on a rigid adherence to scripture. Modern China has moved away from traditional religious values, replacing these with social and political values in the early post revolution period. However, today China is emerging as an important consumer nation as the precepts of traditional socialist philosophy are tempered by increasing consumerism nurtured by rising per capita income. In the western world the observation that members of the public are more apt to spend the day at the shopping mall than in church is expressed in the saying that “shopping is the new religion”. China, too, is becoming a consumer society where capitalist values are encroaching on more traditional socialist or religious traditions. The top 100 global corporations are well aware of China’s importance in the global marketplace and are vying to attract Chinese customers. The most successful of these, reflected in its position as the number one global company, is Coca-Cola. The consumerism inherent in the global marketplace (and Coca-Cola’s position in this) may seem a world away from the asceticism of Zen but although formal religious practice may be fading from the mind of the Chinese public, the language and concepts still resonate in the national psyche. “Being” is an important aspect of Zen thought and Coca Cola have managed to reflect this by the translation of the brand name. Its Chinese characters literally mean “being delicious, being happy.”

Coca Cola’s “glocal” strategy

There are two major schools of thought about the best method of introducing global brands into local markets. The first of these is the global strategy where brands are introduced into various markets using a common marketing strategy focusing on the strength and suitability of the product. This is a product-based strategy that can be successful in creating a strong brand image but may lead to confusion if that image is interpreted differently in various cultures. This is charmingly exemplified in the Antoine de St Exupéry tale about the Little Prince. In the first chapter the author describes how he gave up the idea of an artistic career when as a child he drew a very scary picture of a boa constrictor that had swallowed an elephant. Rather than being terrified by this horrific picture, the adults in his life looked at the depiction of a green object which was flat at each end and had two humps in the middle and saw only a very ordinary, if somewhat squashed, green hat. Clearly, a global company marketing green hats would be horrified if their customers were scared off by images of snakes with voracious appetites. Conversely, a firm marketing a service that offered their

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customers’ elephants protection from snakes would fail to get the message across if people viewing their advertisements were mystified by the image of hats!

The second marketing strategy, the local strategy, seeks to embed the product in the local market by emphasizing its suitability to and congruence with local needs. This customer-based strategy can be very effective but may result in a loss of the brand’s global image. Globalization has resulted in what Robertson (1992) referred to as a “compressed world” and it may be counter productive for companies to lose global recognition in their attempts to succeed in a particular local market. Nowhere is this so noticeable as on the internet. The world-wide explosion in internet use has resulted in unprecedented marketing opportunities. However consumers now have access to marketing campaigns that once would have only been available to people in specific localities. A company could fail to attract potential customers if their brand was not instantly recognizable in a variety of settings.

Coca Cola has overcome the problem of global/local dichotomy by creating a strategy which has been described as “glocal”. This has enabled them to combine the best of both global and local marketing to maintain an instantly recognizable brand image while at the same time embedding this into local economies in a way that establishes a strong sense of cultural congruence. This can be illustrated by visiting the Coca Cola website (www.coca-cola.com) and then clicking on the Coca-Cola Worldwide tab. While the Coca-Cola brand image is instantly recognizable, the local specificity is also immediately clear. The Korean website portrays a trendy young, hip image with a picture of two very modern adolescents or young adults dressed in fashionable casual clothes. The Malawi website is at the other end of the spectrum and uses an image of a mature woman in traditional clothing. The focus of this website is on Coca-Cola’s community involvement in establishing a supply of clean drinking water.

Coca-Cola’s Chinese website

Coca-Cola’s Chinese website is an excellent example of this “glocal” strategy introduced in 2000 by the new CEO Douglas Daft. Immediately recognizable with the Coca-Cola logo and predominance of the color red, the site has a strong focus on social responsibility reflecting the Chinese Communist ethos. Coca-Cola is sponsoring various educational initiatives in deprived areas of the country, from university scholarships and e-learning centers to the building of elementary schools and the provision of professional education for teachers, and these are highlighted on the site. Seemingly mindful of the old axiom “a healthy mind in a healthy body”, Coca Cola’s website also features information on the upcoming 2008 Olympics, specifically on related events sponsored by Coca Cola.

Cultural specificity is portrayed as the website includes features designed to resonate with the Chinese consumer such as the use of a *Fu* at the time of the Chinese New Year. A *Fu* is a picture displayed on the doors or windows of a house to bring good luck in the year ahead.

Another subtle tactic is the time line which can be found on Coca-Cola’s Chinese website. This intersperses significant events in modern Chinese history with those in the history of the Coca-Cola company. The happy coincidence that Mao Zedong was born in the same year



that Coca-Cola was launched probably triggered this strategy but it implies that Coca-Cola and China go hand in hand.

Coca Cola's local strategy is designed to integrate the company and its products into the cultural and social identity of China by emphasizing cultural, political and economic factors. While a quick perusal of their websites indicates that almost 60 percent of the top 100 global companies use some type of global marketing strategy it seems that Coca Cola's "glocal" strategy is the most effective one in establishing a product in local markets while retaining a globally recognized brand image. No wonder that the journal *Business Week* has identified Coca-Cola as the world's number one brand.

Comment

This report is based on: "Communicating with local publics: a case study of Coca-Cola's Chinese web site" by Yan Tian. This report is an interesting study of Coca-Cola's marketing strategy as reflected in the company's Chinese website.

Additional information sourced from:

- www.welocalize.com/english/newsletter/Xtend%20eNews4.htm (accessed 14 March 2006); and
- www.chinapage.com/zen.html (accessed 15 March 2006).

Reference

Yian, T. (2006), "Communicating with local publics: a case study of Coca-Cola's Chinese web site", *Corporate Communications: An International Journal*, Vol. 11 No. 1, pp. 13-22.

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