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International strategies of emerging market firms

Standardization in brand management revisited

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Abstract

Purpose – This study aims to develop and test a theoretical model to delineate the effects of target market characteristics, firm characteristics and strategic resources, and product characteristics on standardization decisions in brand management of emerging market firms. The effects of standardization on brand performance in international markets are also to be explored.

Design/methodology/approach – The study develops a model based on the extant literature and tests its relevance through a survey of eligible managers in charge of international brand operations of 94 strategic business units in Turkey.

Findings – The empirical findings indicate that several factors exist as significant drivers of standardization decisions at various levels of brand management. Interestingly, even though firm characteristics and strategic resources were found to be the most critical drivers of brand performance, standardization versus adaptation approaches did not have any significant impact on strategic brand performance.

Originality/value – The study takes a standardization perspective to strategic brand management in international markets and tests it from the perspective of emerging markets.

Keywords Strategic management, Brand management, International marketing, Emerging markets, Turkey

Paper type Research paper

Introduction

Recent advances in global markets have resulted in the internationalization of formerly less developed economies. As a result of this globalization process, a growing congruence has taken place across more and less developed economies in terms of income levels, consumption patterns, and institutional structures (Narula and Dunning, 2000). Firms from rapidly developing emerging nations are now taking active roles in the international arena, and many people believe that firms originating from emerging markets will act as key swing factors in the future growth of world trade (Garten, 1997).

Emerging market firms are now competing actively in the international arena against established multinational corporations (MNCs). Furthermore, consistent with the strategic propositions in the extant literature (e.g. Brouthers and Xu, 2002; Brouthers *et al.*, 2005), many of these firms are pursuing aggressive and proactive

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strategies such as developing their own brands in international markets (Dawar and Frost, 1999). Indeed, there are numerous success stories of emerging market companies and brands challenging big MNCs in international markets (Anholt, 2003; Bilgin *et al.*, 2004; Chao *et al.*, 2004; Dawar and Frost, 1999; Temporal, 2001). Most of these successful firms originate from China and Southeast Asia, followed by Latin America, Russia, Turkey, and Egypt (Luo, 2007; Boston Consulting Group, 2006). Prominent examples include Lenovo (China), Tata Motors (India), Ulker (Turkey), and Natura (Brazil). Interestingly, however, despite the increasing scholarly interest in their ways of doing business and drivers of success (Cavusgil *et al.*, 2002; Chao *et al.*, 2004), the existing literature provides little guidance about the international branding efforts of emerging market firms (Chao *et al.*, 2004; Dawar and Frost, 1999; Mitchell, 2002).

Firms from emerging markets aspiring to compete in international markets face different conditions from those described in the literature. They spring from different local conditions, such as large and fast-growing markets, political and economic uncertainty, rapidly changing consumer preferences, price-sensitive consumers, increasing purchasing power, and weaker infrastructures (Cavusgil *et al.*, 2002; Boston Consulting Group, 2006). Further, emerging market firms face challenging conditions, since most international markets are now highly saturated and consumers are more experienced. These firms also differ from those covered in the literature in terms of several of their own characteristics, such as limited but low-cost resources, products that appeal to price-sensitive consumers, relatively modern and efficient plants and equipment, and slow rate of innovation. In addition, these emerging firms also suffer from a lack of strong brands, limited access to international distribution channels, a shortage of managers with international experience, and poor international reputation (Chao *et al.*, 2004; Hussain and Jian, 1999). As a result, a detailed focus on the way emerging market firms develop and manage international branding strategies is timely and warranted.

The present paper aims to examine international brand management practices of firms from an emerging market, i.e. Turkey. In particular, the study revisits the literature on international brand management, specifically on the standardization of branding strategies, and examines the antecedents and consequences of the standardization process. Given the fact that emerging market firms are still at the growth stage of their internationalization, standardization of brand strategies is generally considered a viable strategic option for international success (Zou and Cavusgil, 2002). Whereas standardization is a well-discussed topic in the literature, in the light of the aforementioned conditions there still exists a need for further empirical inquiries on the subject (Theodosiou and Leonidou, 2003). It is also important to note that prior research conducted in Turkey on this topic has focused on the standardization strategies of incoming MNCs only (see Ozsomer *et al.*, 1991), and the current research is the first attempt to reveal the standardization strategies of Turkish firms investing abroad.

Background

Regional integrations and technological advancements facilitating diffusion of information have contributed to the globalization of markets and the emergence of homogenous inter-market segments (e.g., Levitt, 1983; Ohmae, 1985). Thus, the so-called Levitian argument suggests that global companies can achieve long-term success only through standardization (Vrontis and Kitchen, 2005). Accordingly, the emphasis of this paper is on the standardization dimension of global marketing. Unlike prior research, however, which has focused on standardization strategies from the practices of established MNCs, the present study approaches the topic from the perspective of firms from a big emerging market, i.e. Turkey. We believe this empirical setting offers grounds to test Western-based theories in emerging markets.

Over the last decade, particularly after the establishment of a customs union with the European Union, there has been considerable attention given to the globalization process of Turkey. The country is a major player in Middle Eastern politics and the only Muslim candidate for the European integration process. Throughout the late twentieth century and early twenty-first century, Turkey moved away from inward-oriented import substitution policies to outward-oriented industrialization and export-led growth. In between 1984 and 2007, for instance, exports increased roughly from \$7m to \$107m (State Statistics Institute, 2007). The country has excelled in exporting, particularly in the textile, clothing, durables, and automotive sectors. Additional measures were taken to accelerate Turkish firms' pace in international markets after a series of economic crises in the late 1990s and early 2000s (State Planning Organization, 2007). Most of these measures focused on improving the willingness and skills of Turkish firms in establishing global brands. Specifically, the Turkish government provided incentives for firms to internationalize actively and compete in foreign markets through branded operations.

Turkish firms are in the early stages of internationalization according to Johanson and Vahlne's (1977) Uppsala Stages Model. Their involvement in international markets is limited mostly to exporting. It is no surprise then that most Turkish firms will be tempted to depend on standardization strategies in their international operations (Cavusgil and Zou, 1994; Terpstra and Sarathy, 2000), given that standardization may yield several benefits including economies of scale (Baalbaki and Malhotra, 1993; Chung, 2003; Jain, 1989; Levitt, 1983), cost savings (Buzzell, 1968), ability to attract common cross-national market segments, message consistency (Levitt, 1983), product consistency, and planning and controlling uniformity (Buzzell, 1968; Quelch and Hoff, 1986).

The debate over standardization versus adaptation has influenced the international marketing literature since Elinder's (1961) work on standardization of advertising. While advertising appears to be the most attractive marketing mix element for standardization (Jain, 1989; Leonidou *et al.*, 2002), standardization of product elements, especially of the brand, which refers to undifferentiated brand management applications across various international markets, has also attracted considerable attention among researchers (de Chernatony *et al.*, 1995; Kapferer, 1997; Medina and Duffy, 1998).

Prior research (e.g. de Chernatony *et al.*, 1995) has examined branding strategies generally in two sequential stages consisting of positioning of the brand's core essence and brand benefits. Based on Keller's (2003) strategic brand management framework, the brand benefits stage can be further classified as brand elements (name, logo, slogan, and character, etc.) and brand marketing strategies. Thus, the ultimate challenge in standardization of branding includes decisions on:

- brand positioning and core values – that is, unique and distinct values that are specifically emphasized in brand positioning to differentiate it from competitors;
- visible brand elements such as name, logo, package, label, and product design and features; and
- brand peripherals – that is, aspects of branding strategy that transcend beyond core branding issues and relate more closely to general marketing strategy such as warranties and after-sales services (cf. Medina and Duffy, 1998).

In the present study, the standardization practices of Turkish firms in international markets are examined separately in terms of all three levels. This is because standardization decisions at each level are expected to emerge through different mechanisms. Specifically, core brand elements should relate more closely to marketing communication activities, whereas visible brand elements should involve tangible brand components such as design and features, and brand peripherals would concern infrastructural investments and long-term strategies. It is important to note that, most of the times, core and visible levels of the brand can be kept standardized across countries, whereas the brand peripheral level is more frequently localized to appeal to domestic differences. In support of this view, de Chernatony *et al.*'s (1995) study on international branding and Kapferer's (1997) work on branding in the European Union reveal that core essences of brands are generally standardized while the execution of brand benefits through the marketing mix elements (i.e. peripheral brand aspects) are largely adapted.

Model and research hypotheses

The conceptual model on standardization of branding is presented in Figure 1. The central focus of the model is on standardization of branding strategies at three distinct levels:

(1) brand positioning and core values;

(2) visible brand elements; and

(3) brand peripherals.

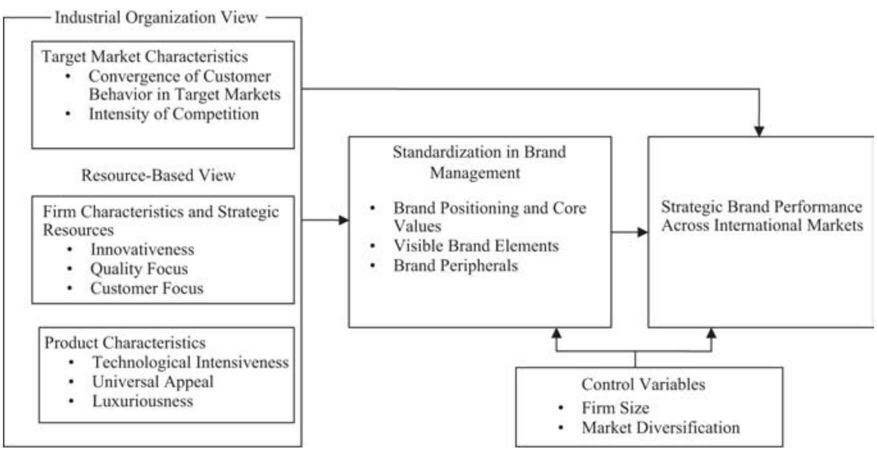

Figure 1.
Model of standardization in brand management across international markets

The antecedents of standardization of branding strategies are based upon postulations of two different but complementary theories, i.e. the industrial organization and the resource-based perspectives. According to the industrial organization (IO) theory, external environment, market, and industry characteristics drive a firm's strategies (Conner, 1991; Porter, 1991; Zou and Cavusgil, 2002), which then determine its performance (Hout *et al.*, 1994). The resource-based (RB) theory, on the other hand, focuses on the firm's internal strengths and resources as sources of strategy and performance (Grant, 1991; Penrose, 1959). Following Craig and Douglas (2000) and Zou and Cavusgil (2002), the main theoretical underpin of this paper adopts a holistic approach to the fit between strategy, environment, and organization (Conner, 1991; Venkatraman and Prescott, 1990). Hence, the four antecedent factors that are posited to influence standardization in the proposed model are convergence of customer behavior and competitive intensity in target markets (drawn from the IO perspective), product characteristics, and firm characteristics and strategic resources (drawn from the RB perspective). Although prior research focuses on several other environmental characteristics such as marketing infrastructure and political environment, this study focuses specifically on the aforementioned factors based on the fact that the internationalization of Turkish firms is still at the stage of exporting, which requires a lower commitment of resources to foreign market activities. Therefore, the broader environmental aspects of host markets are less relevant to their branding decisions. The model also includes performance measures to understand which strategy, i.e. standardizing versus adapting branding, outperforms the other. Furthermore, direct effects of market factors, product characteristics, and firm characteristics and strategic resources on brand performance outcomes are examined. Finally, firm size and market diversification are included as covariates of standardization strategies and resulting performance outcomes.

A model of standardization in brand management across international markets is shown in Figure 1.

Antecedents of standardization

Many authors identify the international marketing environment as affecting standardization decisions (Baalbaki and Malhotra, 1993; Chung, 2003, 2005; Hill and Still, 1984; Jain, 1989; Johansson and Yip, 1994; Roth, 1992). Among the environmental variables discussed in the literature, target market characteristics appear to be the most prominent factor for standardization decisions. Specifically, the emergence of cross-cultural market segments and intensity of competition are studied very frequently in literature (Craig and Douglas, 2000; Douglas *et al.*, 2001; Levitt, 1983). Global market segments that share the same demographic and social-cultural characteristics with homogenous needs and similar media habits – that is, convergence of customer behavior in target markets – is considered an important factor driving standardized brand practices (Craig and Douglas, 2000; Ozsomer and Simonin, 2004; Samiee and Roth, 1992). To the extent that customer responses to the marketing efforts of firms are similar across different international markets, using a standardized marketing strategy and brand management approach is more viable. Another target market characteristic that is frequently discussed as affecting practices of standardization is intensity of competition in target markets. Competitive pressures may necessitate adaptation so that local conditions are matched and competitive advantage is gained over rivals (Baalbaki and Malhotra, 1993; Cavusgil and Zou, 1994; Cavusgil *et al.*, 1993; Hill and Still, 1984; Johnson and Arunthanes, 1995; Samiee and Roth, 1992). Factors such as the number of firms in the industry, relative sizes of the firms, the presence of a dominant price leader, the availability and prices of substitutes, and the strength of local and multinational competitors may necessitate brand adaptation (Baalbaki and Malhotra, 1993; Birkinshaw *et al.*, 1995; Kapferer, 1997; Samiee and Roth, 1992; Sorenson and Wiechmann, 1975; Zou and Cavusgil, 2002). Therefore:

H1a. The higher is the convergence of customer behavior in target markets, the higher are the level of standardization in (1) brand positioning and core values, (2) visible brand elements, and (3) brand peripherals.

H1b. The higher is the intensity of competition in target markets, the lower is the level of standardization in (1) brand positioning and core values, (2) visible brand elements, and (3) brand peripherals.

Firm characteristics and strategic resources are also theorized to influence standardization of branding. Whereas it is a fact that company dynamics must back up and align with the standardization process, certain firm characteristics and resources that relate strongly to improved learning are likely to inhibit such processes (Cavusgil and Zou, 1994; Collis, 1991; Craig and Douglas, 2000). Specifically, we focus on three major firm characteristics and strategic resources:

(1) innovativeness;

(2) quality focus; and

(3) customer focus.

Two pillars that many firms consider as important for building global brands are innovativeness, i.e. the ability of the organization to adopt or implement new ideas, processes, and products successfully (Thompson, 1965); and quality focus, i.e. increased attention to quality to reach international competitiveness (Qualls and Rosa, 1995). Both competences require flexibility, openness to new ideas, tendency for change, and sensitivity to external environment. Therefore, firms with higher levels of innovativeness and quality focus are expected to have a greater inclination for adapting to local markets. Similarly, customer focus, which relates to sufficient understanding of target buyers to create superior value (Narver and Slater, 1990), is also a critical factor in achieving international success. Numerous studies indicate that, in addition to an external orientation, customer focus requires individualization and customization of marketing practices (e.g. Leonidou *et al.*, 2002), thus resulting in implementation of brand management adaptations. Hence:

H2. The more (a) innovative, (b) quality focused, and (c) customer focused is a firm, the lower is the level of standardization in (1) brand positioning and core values, (2) visible brand elements, and (3) brand peripherals.

Next, the extant literature focuses most prominently on three product characteristics as affecting standardization. Several authors have noted that it may be easier to standardize branding strategies when products entail such characteristics as technological intensity (Cavusgil *et al.*, 1993; Cavusgil and Zou, 1994; Zou and

Cavusgil, 1996), universal appeal, i.e. the extent to which the product caters to the specific needs of people regardless of their culture (Britt, 1974; Cavusgil *et al.*, 1993; Craig and Douglas, 2000; Quelch and Hoff, 1986), and luxuriousness, i.e. the extent to which a product is conducive to sumptuous living rather than necessity, entailing delicacy, elegance, or refinement (Kapferer, 1997; Moore *et al.*, 2000; Wind, 1986). All three characteristics are associated positively with internationalization and globalization. High-tech products are generally in the early phases of their product life cycles and they mostly appeal to the same consumer profiles worldwide (i.e. global segments). Similarly, products with a universal appeal are by definition not culturally embedded. In the case of luxurious products, it is important to that all around the world these items are demanded by affluent and well-off consumers who essentially display the same lifestyles and preferences. Therefore:

> *H3.* The more (a) technologically intensive, (b) universally appealing, and (c) luxurious is the market offerings of a company, the higher is the level of standardization in (1) brand positioning and core values, (2) visible brand elements, and (3) brand peripherals.

Standardization and performance outcomes

The extent to which standardization relates to brand performance is a key component of the hypothesized model. Brand performance is critical, since what matters eventually is whether or not the brand performs well in the marketplace. In effect, the ultimate measure of the appropriateness of selected strategies is always their impact on performance (e.g. Cavusgil and Zou, 1994; Chung, 2005; Quelch and Hoff, 1986). However, Theodosidou and Leonidou (2003) assert that, despite its theoretical importance, the relationship between standardization and performance has generally been treated as a secondary issue in the extant literature. In the few empirical studies that examined the association, findings as to whether standardization leads to better or worse performance outcomes are mixed (Chung, 2005; Ogunmokun and Wong, 2004; Ozsomer and Simonin, 2004; Sorenson and Wiechmann, 1975). Still, based largely on advantages related to economies of scale, pursuing a standardized approach is generally considered to have a direct positive influence on firm performance (Baalbaki and Malhotra, 1993; Chung, 2003; Jain, 1989; Levitt, 1983; Yip, 1995). Specifically, standardization in brand management is expected to yield cost advantages in marketing communications and brand building efforts. Furthermore, a worldwide, consistent brand image can be maintained as a result of standardization, which facilitates customer recognition and perceived credibility of the firm amongst customers and intermediaries. Therefore:

> *H4.* The higher is the level of standardization in (a) brand positioning and core values, (b) visible brand elements, and (c) brand peripherals, the higher is international brand performance.

We also posit direct effects of the hypothesized antecedents of standardization on brand performance. Convergence of customer behavior in target markets, due to cost savings in marketing and learning effects, may enhance performance; whereas increased competition in the target markets is likely to have negative performance implications. Similarly, firm characteristics and strategic resources are probably the strongest sources of global business success (Grant, 1991; Zou and Cavusgil, 2002), and product characteristics are much likely to play a critical role in determining competitive processes in international markets. Indeed, the effects of target market characteristics, firm characteristics and strategic resources, and product characteristics examined in this study on firm-level performance outcomes are so well established in the extant literature that there is no need here for an extensive theoretical discussion.

H5. (a) The greater is the degree of convergence of customer behavior in target markets and (b) the less intense is competition in target markets, the higher is international brand performance.

H6. The more (a) innovative, (b) quality focused, and (c) customer focused is a firm, the higher is its international brand performance.

H7. The more (a) technologically intensive, (b) universally appealing, and (c) luxurious are the market offerings of a firm, the higher is its international brand performance.

Data collection and sampling

Data collection was carried out through the administration of structured questionnaires with managers in charge of the international operations of eligible Turkish firms. The strategic business unit is taken as the unit of analysis, since each business unit in a firm has its own environment, internal organizational structure, product/industry characteristics, strategies, and performance (Daft, 1997). Following Roth (1995), if a strategic business unit marketed more than one brand, then the brand with the greatest geographic extension was included.

The original English version of the questionnaire was first translated into Turkish. The variables and scales were then pre-tested through a series of in-depth face-to-face interviews with five managers in international marketing and branding. Based on their opinions and feedback, the Turkish version of the questionnaire was revised and finalized. Finally, the questionnaire was back-translated into English to make sure that the questions coincided with the original English version.

The sampling frame is compiled from lists provided by organizations such as Brands Union Association, the Istanbul Chamber of Commerce, the Undersecretariat of the Prime Ministry for Foreign Trade, and the Export Promotion Center of Turkey. After an elimination process based on judgments of experts from the Brands Union Association, the final sampling frame included 110 firms with branded operations in international markets. Thus, our sampling frame represents the best effort towards and the closest frame to a census of all eligible respondents.

Several researchers have stressed the difficulties related to collecting primary data in emerging markets, which ultimately result in relatively low response rates (Hoskisson *et al.*, 2000; Brouthers *et al.*, 2005; Brouthers and Xu, 2002). These difficulties can be listed as managers' suspicion about the motives of researchers and the intended purposes of the study, lack of perceived benefits, as well as (over)emphasis on confidentiality. In addition, Li and Atuahene-Gima (2001) note the lack of reliable archival data and inadequate postal systems in most emerging markets as potential challenges for data collection. These authors suggest that on-site data collection might be the best method to reach the right respondents, to ensure the correct use and understanding of terms, and to increase response rates in such contexts.

Accordingly, we adopted an on-site data collection process. To overcome the aforementioned challenges and to address the issues of distrust and data sensitivity in a personal context, at least one representative from each firm was contacted face-to-face by one of the researchers. As a result of this process, 94 of the 110 firms agreed to participate in the study and provided responses to our questionnaire (85 percent response rate). Given the relatively smaller sampling frame, a high response rate was particularly critical for the present study.

Measures

All measurement items and their assessments are provided in Table I. Also provided in Table I are the factor loadings of the items of the constructs in the model, obtained from exploratory factor analysis of target market characteristics, firm characteristics and strategic resources, standardization in brand management, and strategic brand performance, separately.

Target market characteristics

Measures for each of the two target market characteristics – i.e. convergence of customer behavior in target markets and intensity of competition – are developed based on prior works (e.g. Samiee and Roth, 1992; Baalbaki and Malhotra, 1993). Convergence of customer behavior in target markets is measured using two items, and intensity of competition is measured using three items. All five items are Likert-type statements anchored by a six-point scale ranging from "strongly disagree" (1) to "strongly agree" (6). The internal consistency estimates (we use zero-order correlations for two-item scales and Cronbach's α for scales with three or more items) for the two constructs are $r = 0.50$, and $\alpha = 0.62$, respectively.

Firm characteristics and strategic resources

Firm characteristics and strategic resources are measured by three dimensions:

(1) innovativeness (two items, $r = 0.46$);

(2) quality focus (two items, $r = 0.45$); and

(3) customer focus (two items, $r = 0.50$) (based on prior works, e.g., Desphande *et al.*, 1993). All managers are asked to state their degree of agreement on a six-point Likert scale ranging from "strongly disagree" (1) to "strongly agree" (6).

Product characteristics

Three important characteristics of products – i.e. technological intensity, universal appeal, and luxuriousness – are posited as affecting standardization decisions. Single item, six-point bipolar scales are used to measure product characteristics, following Cavusgil *et al.* (1993). As Rossiter (2002) asserts, using single items is acceptable when the domain definitions of the constructs of interest have "concrete singular" – i.e. easily and uniformly imagined – objects and attributes. The scales measure the product's technological intensity, ranging from "not technology intensive" (1) to "technology intensive" (6); universal appeal, ranging from "culturally embedded" (1) to "universal" (6); and luxuriousness, ranging from "not luxurious" (1) to "luxurious" (6).

Scale	Factor loading	α/r	Variance Extracted
Target market characteristics [a]			
In our international markets:			
Convergence of customer behavior in target markets		0.50	0.27
1. Standardized purchasing habits exist worldwide	0.608		
2. Customer (end user) needs are standardized worldwide	0.547		
Intensity of competition		0.62	0.13
1. The competition is very intense at the international level	0.897		
2. Most of our competitors are multinational companies	0.546		
3. The competition is very intense in each target country	0.480		
Firm characteristics and strategic resources [b]			
Innovativeness		0.46	0.22
1. We make use of the latest innovations in products and production technologies	0.738		
2. Creativeness and design are core principles of our products	0.838		
Quality focus		0.45	0.31
1. We have international quality standards in our products	0.900		
2. Quality is very important to us	0.790		
Customer focus		0.50	0.18
1. The customers' interest should always come first.	0.865		
2. This business exists primarily to serve customers.	0.850		
Standardization in brand management [b]		0.77	0.29
Brand positioning and core values			
1. Positioning	0.893		
2. Core values	0.886		
3. Brand personality	0.706		
4. Target market	0.648		
Visible brand elements		0.56	0.14
1. Product line	0.837		
2. Product design and features	0.719		
Brand peripherals		0.60	0.20
1. After-sales	0.751		
2. Warranties	0.701		
3. Price	0.598		
4. Distribution	0.531		
Strategic brand performance [a]		0.82	0.62
In comparison to competition:			
1. How do you consider your brand's market share?	0.704		
2. How do you consider your brand's strategic position?	0.775		
3. How successful do you consider your brand?	0.875		

Notes: [a]The estimation method used for the factor analyses is principal axis factoring with Varimax rotation. [b]The estimation method used for the factor analyses for these set of constructs is the principle components analysis with Varimax rotation, since the principal axis factoring estimation process produced Heywood case solutions

Table I. Measures and psychometric properties

Standardization in brand management

An inter-market market scenario rather than a home-host scenario is used in the operationalization of standardization (Baalbaki and Malhotra, 1993; Chung, 2003; Sorenson and Wiechmann, 1975). Marketing standardization is defined as the degree of similarity in the policies and practices of an international firm across markets – – that is, the ability to apply a uniform strategy in all foreign markets targeted (Boddewyn and Grosse, 1996). Related to this definition, respondents compared the similarity/dissimilarity of their positioning and core brand values (four items, $\alpha = 0.77$), visible brand elements (two items, $r = 0.56$), and brand peripherals (four items, $\alpha = 0.60$) across the target markets they operated in. Following Sorenson and Wiechmann (1975), six-point rating scales are used to measure similarity across markets with anchors ranging from "very different" (1) to "very similar" (6).

Strategic brand performance across international markets

This study follows Zou and Cavusgil's (2002) and Solberg's (2002) works and operationalizes brand performance with subjective measures. Subjective evaluations of performance have been utilized in numerous studies (Leonidou *et al.*, 2002). Strategic management literature supports that self-reported performance data are generally reliable (Birkinshaw *et al.*, 1995; Venkatraman and Ramanujam, 1986; Zou and Cavusgil, 2002). Hence, rather than absolute measures of performance, subjective data on performance of a brand relative to its competitors is viewed as more relevant. Multi-item treatment of performance was preferred so that a thorough understanding of when and where the rewards of standardization versus adaptation emerge. The items are designed to tap into critical strategic brand performance outcomes such as perceived market share of the brand, strategic position, and brand success ($\alpha = 0.82$) in major markets with respect to competitors. Managers are asked to evaluate their firms' strategic brand performance in comparison to competition on a six-point scale ranging from "much worse" (1) to "much better" (6).

Findings

Table II displays the zero-order correlations across the study constructs, construct means, and standard deviations, in order to provide a broad picture of the relationships of interest. As the figures in Table II indicate, all significant bivariate correlations among the constructs are modest. Concerning the antecedents of standardization, amongst all variables explored, the three firm characteristics and strategic resources appear to have stronger correlations with standardization dimensions. In addition, convergence of target markets, technological intensiveness, and luxuriousness of products also appear to be related to some of the standardization dimensions. Brand performance is correlated solely with the three firm characteristics and strategic resources.

Next, the hypothesized model is tested using hierarchical regression analysis. In comparison to a "simultaneous entry" model, the hierarchical regression analyses provide several additional insights regarding the research issues investigated. The reason for using such a hierarchical process is to reveal the incremental variance explained in the dependent variables independently by each set of factors. The hierarchy among the independent blocks is based on theory, research relevance, and causal priority (Cohen *et al.*, 2003). The effects of target market characteristics, firm

Table II. Pearson correlation results

Pearson correlation	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Market diversity (1)	1.000													
Firm size (2)	0.413**	1.000												
Intensity of competition (3)	−0.100	0.069	1.000											
Convergence of customer behavior in target markets (4)	−0.228*	−0.330**	0.098	1.000										
Innovativeness (5)	0.086	0.062*	0.024	−0.021	1.000									
Quality focus (6)	0.092	0.048	0.094	0.161	0.152	1.000								
Customer focus (7)	−0.039	−0.003	0.029	0.188	0.146	0.326**	1.000							
Technological intensiveness of product (8)	0.052	0.198	−0.058	−0.207	0.047	0.061	−0.050	1.000						
Universal appeal of product (9)	−0.147	−0.139	0.098	0.201	0.164	0.091	0.199	0.010	1.000					
Luxuriousness of product (10)	−0.232*	−0.187	−0.110	0.205*	0.114	0.139	0.032	−0.112	0.194	1.000				
Standardization of brand positioning and core values (11)	0.010	0.072	0.091	0.347**	0.282*	0.230*	0.210*	−0.261*	−0.088	0.295**	1.000			
Standardization of visible brand elements (12)	−0.111	−0.111	−0.053	0.136	−0.118	−0.046	0.250*	−0.085	0.075	−0.249*	0.064	1.000		
Standardization of brand peripherals (13)	0.040	−0.159	0.159	0.145	0.235*	0.118	0.166	−0.201	0.110	−0.140	0.262	0.268	1.000	
Strategic brand performance (14)	0.254	0.132	−0.078	−0.008	0.328**	0.325**	0.369**	0.068	0.200	0.047	0.147	−0.066	0.132	1.000

Notes: $^{*}p < 0.10$; $^{**}p < 0.05$

characteristics and strategic resources, along with product characteristics are examined in a sequential order, from a macro to micro perspective. Also, note that the theoretical model displayed in Figure 1 implicitly postulates a partially mediating role of standardization dimensions in the relationships between market, firm, product characteristics and brand performance. The use of hierarchical regression provides evidence regarding the extent of such mediation as well.

Effects on standardization in brand positioning and core values

The hierarchical regression results for standardization in brand positioning and core values are shown in Table III. Each group of independent variables entered in the analysis, except for the control group, are capable of explaining a significant variance, and the overall proportion of variance explained in the dependent variable is 35.3 percent ($p < 0.05$). Regarding the effects of target market characteristics, which were included in the analysis prior to firm and product characteristics, convergence of customer behavior in target markets is found to be positively related to standardization in brand positioning and core values (standardized regression coefficient/$\beta = 0.357$, $p < 0.05$), and thus, *H1a(1)* is supported. Similarly, regarding the effects of product characteristics, as the product becomes more luxurious ($\beta = 0.248$, $p < 0.05$), standardization in brand positioning and core values increases (and thus *H3c(1)* is supported). Contrary to those hypothesized, however, firm-level innovativeness ($\beta = 0.227$, $p < 0.10$) is found to relate positively to standardization in brand positioning and core values, and technological intensiveness of the product ($\beta = -0.232$, $p < 0.05$) is found to relate negatively to standardization in brand positioning and core values.

Effects on standardization in visible brand elements

The hierarchical regression results for standardization in visible brand elements are presented in Table IV. The results suggest that firm characteristics and strategic resources, along with product characteristics, are capable of explaining significant incremental variance in the dependent variable; whereas target market characteristics are not. The overall proportion of variance explained in the dependent variable is 21.8 percent ($p < 0.05$). It is interesting to note that of the eight predictor variables and the two control variables investigated, only two appear to have a significant effect on standardization in visible brand elements, and the directions of their effects are contrary to those hypothesized. Specifically, the results indicate a positive relationship between a firm being customer focused ($\beta = 0.245$, $p < 0.05$) and a negative relationship between luxuriousness of a product ($\beta = -0.348$, $p < 0.05$) and standardization in visible brand elements across countries.

Effects on standardization in brand peripherals

Table V shows hierarchical regression results for standardization in brand peripherals. It appears that only target market characteristics explain significant incremental variance in the dependent variable. The inclusion of firm characteristics and strategic resources, along with product characteristics, do not seem to explain significant variance. Regarding individual effects of predictors, however, there exist variables within each block that have significant impacts on standardization in brand peripherals. Overall, the proportion of variance explained in the dependent variable is

Table III. Regression results for standardization of brand positioning and core values

	Model 1 Regression coefficient	Model 1 Standard error	Model 1 Standard coefficient	Model 2 Regression coefficient	Model 2 Standard error	Model 2 Standard coefficient	Model 3 Regression coefficient	Model 3 Standard error	Model 3 Standard coefficient	Model 4 Regression coefficient	Model 4 Standard error	Model 4 Standard coefficient
Control variables												
Market diversity	0.001	0.003	0.027	0.001	0.003	0.057	0.001	0.003	0.051	0.002	0.003	0.088
Firm size	3.74E-005	0.000	−0.083	2.31E-005	0.000	0.052	1.70E-005	0.000	0.038	4.46E-005	0.000	0.099
Independent variables												
Target market characteristics												
Intensity of competition				−0.145	0.136	−0.111	−0.189	0.132	−0.144	−0.176	0.128	−0.135
IConvergence of customer behavior in target markets				0.236	0.066	0.395**	0.221	0.067	0.369**	0.213	0.063	0.357**
Firm characteristics and strategic resources												
Innovativeness							0.193	0.076	0.257**	0.170	0.072	0.227**
Quality focus							0.058	0.209	0.030	−0.023	0.203	0.012
Customer focus							0.184	0.142	0.135	0.193	0.133	0.141
Product characteristics												
Technological intensiveness										−0.135	0.057	−0.232**
Universal appeal										−0.053	0.045	−0.114
Luxuriousness										0.106	0.044	0.248**
Adjusted R^2	−0.018			0.101			0.169			0.268		
R^2	0.006			0.143			0.236			0.353		
ΔR^2	0.006			0.137			0.097			0.117		
F for ΔR^2	0.244			6.559**			3.217**			4.592**		
F for ANOVA	0.244			3.417**			3.490**			4.154**		

Notes: Provided in the table are the results of four sequential regression runs. Model 1 regresses standardization of positioning and core brand values against the control variables only, and the following models include target market, firm, and product characteristics sequentially in a hierarchical sense. $^{*}p < 0.10$; $^{**}p < 0.05$

Table IV.
Regression results for standardization of visible brand elements

	Model 1 Regression coefficient	Model 1 Standard error	Model 1 Standard coefficient	Model 2 Regression coefficient	Model 2 Standard error	Model 2 Standard coefficient	Model 3 Regression coefficient	Model 3 Standard error	Model 3 Standard coefficient	Model 4 Regression coefficient	Model 4 Standard error	Model 4 Standard coefficient
Control variables												
Market diversity	−0.004	0.004	−0.113	−0.003	0.004	0.107	−0.002	0.004	0.056	−0.004	0.004	0.119
Firm size	−3.69E	0.000	−0.064	−10.61E-005	0.000	−0.028	−1.2E-005	0.000	−0.020	−1.1E-005	0.000	−0.019
Independent variables												
Target market characteristics												
Intensity of competition				−0.074	0.175	−0.045	−0.100	0.173	−0.061	−0.227	0.170	−0.139
Convergence of customer behavior in target markets				0.079	0.083	0.107	0.085	0.083	0.116	0.094	0.081	0.128
Firm characteristics and strategic resources												
Innovativeness							−0.169	0.099	−0.178*	−0.107	0.097	−0.113
Quality focus							−0.166	0.204	−0.087	−0.091	0.199	−0.048
Customer focus							0.383	0.185	0.221**	0.425	0.177	0.245**
Product characteristics												
Technological intensiveness										−0.056	0.074	−0.078
Universal appeal										0.085	0.060	0.147
Luxuriousness										−0.186	0.058	−0.348**
Adjusted R^2	0.001			−0.011			0.035			0.121		
R^2	0.023			0.034			0.110			0.218		
ΔR^2	0.023			0.011			0.076			0.108		
F for ΔR^2	1.035			0.496			2.383*			3.735**		
F for ANOVA	1.035			0.760			1.476			2.255**		

Notes: Provided in the table are the results of four sequential regression runs. Model 1 regresses standardization of visible brand elements against the control variables only, and the following models include target market, firm, and product characteristics sequentially in a hierarchical sense. $^*p < 0.10$; $^{**}p < 0.05$

Table V. Regression results for standardization of brand peripherals

	Model 1 Regression coefficient	Model 1 Standard error	Model 1 Standard coefficient	Model 2 Regression coefficient	Model 2 Standard error	Model 2 Standard coefficient	Model 3 Regression coefficient	Model 3 Standard error	Model 3 Standard coefficient	Model 4 Regression coefficient	Model 4 Standard error	Model 4 Standard coefficient
Control variables												
Market diversity	0.001	0.002	0.064	0.002	0.002	0.115	0.002	0.002	0.131	0.002	0.002	0.081
Firm size	−6.2E-005	0.000	−0.185	−6.3E-005	0.000	−0.187	−6.7E-005	0.000	−0.199*	−6.3E-005	0.000	−0.188
Independent variables												
Target market characteristics												
Intensity of competition				0.248	0.097	0.262**	0.225	0.097	0.239**	0.184	0.098	0.194*
Convergence of customer behavior in target markets				0.048	0.046	0.112	0.039	0.047	0.091	0.040	0.047	0.094
Firm characteristics and strategic resources												
Innovativeness							0.076	0.056	0.138	0.090	0.056	0.164
Quality focus							−0.013	0.115	−0.012	0.037	0.116	0.033
Customer Focus							0.184	0.104	0.183*	0.195	0.103	0.194*
Product characteristics												
Technological intensiveness										−0.062	0.043	−0.149
Universal appeal										−0.010	0.035	−0.029
Luxuriousness										−0.059	0.034	−0.190*
Adjusted R^2	0.007			0.073			0.100			0.121		
R^2	0.029			0.114			0.169			0.218		
ΔR^2	0.029			0.085			0.055			0.049		
F for ΔR^2	1.311			4.179**			1866			1.685		
F for ANOVA	1.311			2.792**			2.443**			2.257**		

Notes: Provided in the table are the results of four sequential regression runs. Model 1 regresses standardization of brand peripherals against the control variables only, and the following models include target market, firm, and product characteristics sequentially in a hierarchical sense. $^{*}p < 0.10$; $^{**}p < 0.05$

21.8 percent ($p < 0.05$). There is a significant positive relationship between intensity of competition in international markets and standardization in brand peripherals ($\beta = 0.194$, $p < 0.1$). As the competition becomes more intense, contrary to our expectations, standardization in brand peripherals increases. Similarly, whereas customer focus is positively related to standardization ($\beta = 0.194$, $p < 0.1$), luxury in a product is found to negatively influence standardization of brand peripherals ($\beta = -0.190$, $p < 0.1$).

Effects on strategic brand performance

As shown in Table VI, the antecedents of standardization explain a significant portion of the variation in strategic brand performance ($R^2 = 0.360$, $p < 0.05$). Contrary to our expectations, on the other hand, as standardization variables are entered into the analysis, the incremental variance explained in performance outcomes appear to be non-significant ($\Delta R^2 = 0.021$). The overall model that includes all the blocks of variables is still capable of explaining a significant variance ($R^2 = 0.381$, $p < 0.05$). Regarding the effects of individual predictors, intensity of competition ($\beta = -0.185$, $p < 0.10$), innovativeness ($\beta = 0.255$, $p < 0.05$), quality focus ($\beta = 0.199$, $p < 0.10$), customer focus ($\beta = 0.176$, $p < 0.10$), and the product characteristic of universal appeal ($\beta = 0.417$, $p < 0.05$) significantly explain strategic brand performance (and thus *H5b*, *H6a*, *H6b*, *H6c*, and *H7b* find support). None of the standardization dimensions appear to have significant effects on strategic brand performance (therefore *H4a*, *H4b*, and *H4c* are not supported). That is, market, firm, and product characteristics, as a group, are capable of explaining a statistically significant proportion of variance in brand performance (Model 1); whereas, after their inclusion, standardization dimensions are not capable of explaining additional (incremental) variance in performance either any single one of them individually or as a group. Thus, the observed data fails to support the postulate that standardization mediates the effects of market, firm, and product characteristics on international brand performance.

Discussion

The focal objective of this research was to examine strategic brand management decisions of emerging market firms in international markets. The main premise of the study was based on the fact that emerging market firms have different characteristics and encounter different conditions to those faced by global firms in the international marketplace. Specifically, these emerging competitors of the international marketplace are in the initial phases of the internationalization process; they have limited experience, and they have to struggle in established competitive environments.

The study examined standardization practices from a brand management perspective. Here, brand names and logos were kept standardized across markets, but the question was whether other strategies such as positioning and core values, visible brand elements, and brand peripherals were standardized or adapted. Several dimensions of target market characteristics, firm characteristics and strategic resources, and product characteristics were investigated in terms of their effects on standardization decisions and on international brand performance. The effects of antecedent factors (target market characteristics, firm characteristics and strategic

Coefficient	Model 1 Regression coefficient	Model 1 Standard error	Model 1 Standard coefficient	Model 2 Regression coefficient	Model 2 Standard error	Model 2 Standard coefficient
Control variables						
Market diversity	0.007	0.004	0.205*	0.006	0.004	0.179
Firm size	6.30E-005	0.000	0.104	6.14E-005	0.000	0.101
Independent variables						
Target market characteristics						
Intensity of competition	−0.288	0.172	−0.163*	−0.327	0.180	−0.185*
Convergence of customer behavior in target markets	−0.011	0.085	−0.014	−0.008	0.092	−0.009
Firm characteristics and strategic resources						
Innovativeness	0.284	0.097	0.280**	0.258	0.103	0.255**
Quality focus	0.526	0.273	0.204*	0.514	0.274	0.199*
Customer focus	0.260	0.179	0.141	0.323	0.190	0.176*
Product characteristics						
Technological intensiveness	−0.037	0.076	−0.047	−0.038	0.079	−0.048
Universal appeal	0.237	0.060	0.380**	0.260	0.063	0.417**
Luxuriousness	−0.010	0.059	−0.018	−0.046	0.067	−0.080
Standardization dimensions						
Brand positioning and core values				0.034	0.158	0.025
Visible brand elements				−0.180	0.114	−0.168
Brand peripherals				0.038	0.193	0.021
Adjusted R^2	0.276			0.271		
R^2	0.360			0.381		
ΔR^2	0.360			0.021		
F for ΔR^2	4.277**			0.833		
F for ANOVA	4.277**			3.461**		

Notes: Provided in the table are the results of two sequential regression runs. Model 1 regresses strategic brand performance against the control variables, target market, firm, and product characteristics, and the following model includes standardization dimensions sequentially in a hierarchical sense. $^{*}p < 0.10$; $^{**}p < 0.05$

Table VI. Regression results for strategic brand performance resources, and product characteristics) on international brand management standardization were investigated at three different brand levels:

(1) brand positioning and core values (brand values, target markets, etc.);
(2) visible brand elements (product design and features, product line); and
(3) brand peripherals (warranties, distribution, after sales, etc.).

Standardization was examined in terms of these three levels based on the expectations that each antecedent may have a differing effect on each level. For instance, core brand elements would relate more closely to global brand communications and advertising activities, whereas visible brand elements would involve tangible brand components and brand peripherals would concern infrastructural investments and relatively costly and long-term strategic imperatives. Finally, the study also considered the relationships between the degree of standardization in brand management at all three levels and strategic brand performance.

A brand-level perspective was adopted in the study to explore global marketing strategy and standardization decisions of emerging market firms. This is because branding is considered critical for successful internationalization of emerging market firms in the era of globalization. As early as 1985, Hamel and Prahalad noted the fact that global war was about world brand dominance. Similarly, Craig and Douglas (2000) asserted that the biggest challenge facing companies in the twenty-first century is establishing global brands. With global/international branding, emerging market companies can position themselves strategically for the future, and compete effectively against global giants. Should they be successful in developing global or international brands, emerging market firms will gain worldwide recognition, reduce dependence on contract manufacturing, access and penetrate new markets and industries, reduce costs, increase value, secure long-term profits and growth, survive hard times, break parity, and stand out from the crowd (Temporal, 2001).

The results of this study provide several valuable insights. First and foremost, the results indicate that standardization versus adaptation approaches, regardless of the specific brand level of application, do not have any significant impacts on strategic brand performance indicators of the emerging market firms in the present sampling context. Considering the fact that standardization has been suggested particularly as a viable strategic option for firms at the initial phases of their internationalization process, this rather unexpected finding might be indicative of a very distinctive aspect of emerging market firms' approaches to internationalization. One plausible explanation for this unexpected finding could concern target market selection approaches of a considerable proportion of the firms in the sampling frame. Rather than selecting their target markets on the basis of growth and profitability criteria for instance, these firms might be targeting only specific international marketplaces that are suitable for their extant market offerings and strategies, i.e. places where things are similar to local market conditions and therefore specialized and sophisticated marketing programs need not be developed. We suppose such a naive strategic approach would be common across emerging market firms that are just "experimenting" with their international competitiveness. Indeed, recent research (e.g. Viswanathan and Dickson, 2007) suggests that transferability of already acquired competitive advantages is a strong predictor of degree of standardization even for more established firms. The degree of standardization versus adaptation, therefore, does not appear to have a direct impact on international success in the present study.

The results further indicate that just a few factors exist as significant drivers of standardization decisions at various levels of brand management. Figure 2 provides a summary illustration of factors affecting standardization in our findings. Concerning brand positioning and core brand values, consistent with our hypotheses, convergence of customer behavior in target markets and luxuriousness of market offerings are both found to be positively related to standardization. Positioning based on core values is kept standardized when target markets are similar and products are luxury ones, so that a universal image that is consistent over the markets can be created. Convergence of customer behavior across markets is a widely discussed subject in previous studies affecting standardization practices (e.g. Chung, 2005; Craig and Douglas, 2000; de Chernatony *et al.*, 1995; Onkvisit and Shaw, 1987; Ozsomer *et al.*, 1991; Ozsomer and Simonin, 2004). It is quite easy to apply the same positioning strategy across countries as long as the behaviors of customers in target markets resemble each other. Luxurious products are also generally positioned similarly across international markets, since they appeal to high-income groups who have similar lifestyles and cultures (Kapferer, 1997). This wealthy segment is one of the oldest cross-cultural groups in the global marketplace (Domzal and Kernan, 1993; London and Hart, 2004). On the other hand, contrary to that hypothesized, firm characteristics and strategic resource of innovation exert a significant positive effect on standardization in brand positioning and core values. As firms prove to be more capable of producing improved and creatively designed products, it seems that they also want to position themselves as world brands with a uniform image. Likewise, despite the contrary findings in the literature (e.g. Cavusgil *et al.*, 1993; Cavusgil and Zou, 1994; Zou and Cavusgil, 1996), technological intensiveness and standardization in brand positioning and core values has a negative relationship. One plausible explanation for this finding could be based on the context of the study. Unlike prior research, which considered developed and industrialized

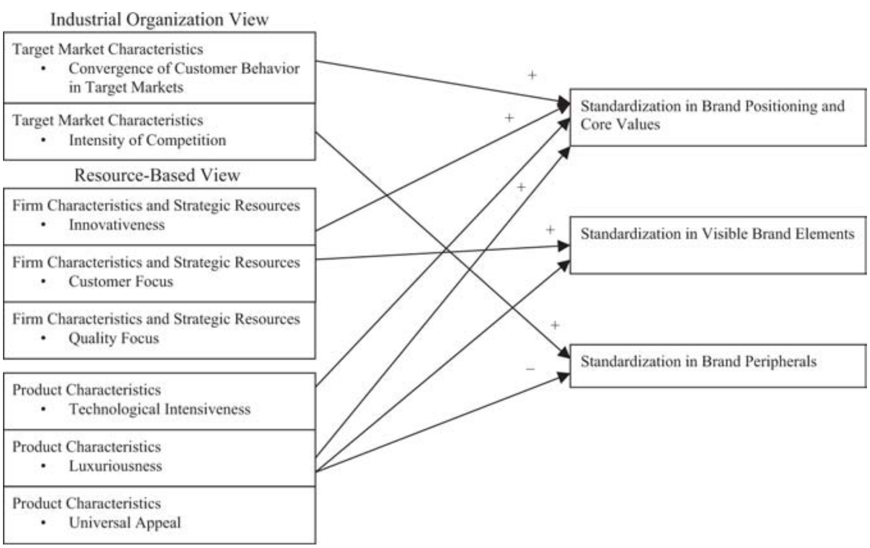

Figure 2.
Modified model of factors affecting standardization in brand management across international markets

countries that lead technological transformation, this study considered the context of emerging markets where the industries are not technologically intensive at all. There are only a few Turkish brands in high-technology sectors where "born globals" are likely to occur. Those firms in the sampling frame with products that are somehow (moderately) technologically intensive either have superior competitive capabilities or face more sophisticated and diversified competitive environments in international markets, or both, which appears to result in higher levels of adaptation.

Standardization in visible brand elements and brand peripherals are found to be unrelated to target market characteristics, but driven mainly by firm characteristics and strategic resource of customer focus and product characteristic of luxuriousness. These findings are contrary to expectations, however, because customer focus is found to facilitate and the degree of luxuriousness in products is found to inhibit standardization at the visible brand level. As firms become more customer-oriented, their strategies on product line, design, features, pricing, distribution, after-sales and warranties become more standardized across countries. Given that a majority of the firms appear to have a tendency to target a homogeneous set of international markets all similar to their local conditions, increased customer insight possibly provides deeper information about international marketplaces, thus facilitating homogeneity in targets and thereby standardization. Luxuriousness, which was found to positively impact standardization at the core level, appears to be negatively related to standardization at both the visible and brand peripheral levels. Products that are perceived to be high in luxuriousness in emerging markets may not be perceived as such in global markets. In addition, customer preferences, expectations and habits in terms of design attributes, distribution outlets, and after-sales conditions are more likely to differ across international markets, particularly for luxury items, thus requiring adaptations. Also note that the luxurious products under investigation are of emerging market origin and might need some kind of differentiation to compete with similar products of established multinationals.

Next, even though some form of differentiation and customization according to the local market conditions is expected when there is intense competition, firms in our sampling context chose to keep the service levels, pricing and distribution strategies (i.e. brand peripherals) standardized as international competitive intensity increased. Because these firms are in the initial stages of internationalization, and thus are mainly exporters and are relatively inexperienced, they probably prefer a risk minimization approach and standardize their pricing, distribution, and servicing strategies. These firms rely largely on cost-based competitive advantages in the international arena. Since standardization brings cost-saving advantages, most of these firms seem to implement standardized strategies when competition increases. The results are consistent with the findings of Melewar and Saunders (1999, 2000), who stated that standardization provide greater effectiveness by creating a unified image in times of severe competition.

It is interesting to note that, according to our findings, what matters for strategic brand performance is not standardization, but operating in less competitive environments, having firm characteristics and strategic resources which lead to innovation, quality focus, and customer focus, as well as offering a universally appealing product. Contrary to our expectations, critical product characteristics such as technological intensiveness and luxuriousness were not found to have significant effects on strategic brand performance. Quality focus, innovation, and customer focus are frequently noted as critical drivers of global business success for emerging market firms. Indeed, quality was found to be one of the most important factors that drive consumer preference for global brands (Leonidou *et al.*, 2002; Steenkamp *et al.*, 2003). Firms can only succeed in the international business world when they do not compromise on quality. Customer focus is another critical factor for firm and brand success in the marketing era. Motivation to understand customers reflects dedication to offer them higher quality with superior strategic orientations. Especially in the era of globalization, organizations must keep closer relationships both with customers and business partners (Bergeron *et al.*, 2004). Additionally, innovativeness – i.e. producing improved and creatively designed products – increases chances of brand success in international markets (Czinkota and Ronkainen, 2001). In the era of intense global competition, the need to adapt, develop, and innovate continuously has become a building block for better performance (Dierickx and Cool, 1989; Guan, 2002; Hurley and Hult, 1998; Yam *et al.*, 2004). Greater profitability comes from a firm's ability to introduce new products of creative and innovative thinking (Czinkota and Ronkainen, 2001; McGuiness and Little, 1981). Furthermore, according to the results, universal appeal of the product has a positive effect on its international performance. This was also no surprise given the fact that universal products, appealing to the similar needs across countries, have better chances of acceptance and success in international markets (Craig and Douglas, 2000; Quelch and Hoff, 1986). Finally, other than firm characteristics and strategic resources, the intensity of international competition was also found to be significantly affecting brand performance in international markets in the proposed direction. When competitive intensity in the international markets is high, strategic brand performances of companies are naturally lower.

Limitations and suggestions for future research

Despite this study's contribution to our understanding of key issues in the standardization of branding strategies of emerging market firms, there exist several limitations of the study that should be noted. Turkish firms in the international arena in are many ways similar to those originating from other emerging nations. All these new players are in the early stages of internationalization, are smaller in size than developed nation MNCs, enjoy low labor and production costs, and suffer from lack of branded operations and mature products. In addition, they all have similar historical development patterns in international operations and are comparable to each other in terms of managerial sophistication. Still, however, replications of the study in different emerging market settings could improve our understanding of international brand management and standardization strategies. Next, note that the study follows a cross-market rather than a home-host country approach to test the model. A home-host country approach could be followed in future research in order to examine, specifically, the effects of environmental variables on branding and marketing strategy performance.

Due to concerns about respondent fatigue, refusals, and carelessness, we tried to minimize the number of items in each measurement scale used in the study. Future research should focus on developing more rigorous and sensitive measures of the constructs studied. The fact that self-report data obtained from single informants are used could also be considered as a limitation. However, based on Harman's methodology, the results of a factor analysis including all the variables used in the questionnaire yielded 11 factors, with the largest explaining only 14.6 percent of the variance. In addition, the fact that the observed correlation coefficients linking our ultimate dependent variable, i.e. performance, and several of its predictors vary from -0.078 and 0.328 is another indicator that significant common method variance does not exist in our data.

Conclusion

The continued internationalization of business operations has led the researchers to think that marketing theories and models can be transportable across national and cultural borders (Sin *et al.*, 2005). However, this is questionable. The present study contributes to our understanding of international brand management in the context of a specific emerging market's firms by studying the determinants and outcomes of standardized brand management strategies. Nonetheless, further comparative studies of strategic brand management of Western multinationals and multinationals from other regions of the world would be interesting and will advance the understanding of international brand management strategies of emerging market firms.

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