



UNIVERSITY OF GOTHENBURG
SCHOOL OF BUSINESS, ECONOMICS AND LAW

**The International Brand Management as a Capability
to Stay Competitive During Changing
Market Conditions**

A Study of Swedish MNCs Within the Fashion Industry

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International Business
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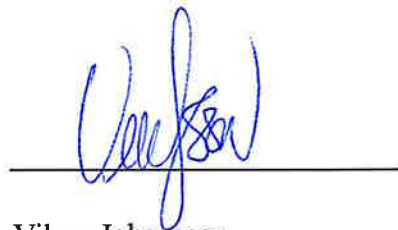
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Sincerely,

Gothenburg, 2023-06-01



Felicia Sundelin



Vilma Johansson

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1. Introduction

1.1 Background

Multinational corporations (MNCs) are today a key actor in international business (Cavusgil, Knight & Riesenberger, 2020). MNCs are companies that perform various business activities in more than one country other than their home country. This is a result of globalization of markets, such as technology advancements and declining trade barriers, which have enabled companies to do business across national borders. MNCs competing in the international business field must therefore decide on business activities on a global scale. One critical value-adding activity MNCs must organize is their process of creating a strong brand. This activity has received increasing attention in today's competitive global marketplace (Cavusgil, et. al, 2020). A company's brand is its most valuable- and enduring asset that can be defined as a name, term, sign, symbol or design, or a combination of these, designed to differentiate its products from the competitors (Keller, Parameswaran & Jacob, 2015). This value-adding activity is defined as brand management and can be viewed as a key driver for business success in today's modern society as a result of changes in the way consumers consume brands, changing buying patterns as well as brands becoming global (Veloutsou & Guzman, 2017).

The definition of brand management can be related to what Porter (1986) explains as a downstream value-adding activity within a firm. A downstream value-adding activity includes coordination of the brand and its international marketing decisions, such as pricing in different countries, similarity of channels and product positioning worldwide. This activity is of significance for a MNC operating in the international business field because of the international competition, which requires a MNC integrating its value-adding activities into its international strategy in order to create a competitive advantage (Porter, 1986).

Furthermore, the downstream activity involves strategic decisions whether a company should standardize some activities or adapt others to a specific international market. At the same time, international competition requires coordination in the company's organizational structure. If a MNC manages to perform its downstream activity in a better way than its competitors, it is able to create a sustained competitive advantage (Porter, 1986). These statements strengthen the importance of MNC's strategic decisions within its downstream activity, namely its international brand management.

In terms of creating a sustained competitive advantage, one could argue that the above described strategic decisions, entails resources within the MNC. This requires MNCs to view these strategic decisions, as described above, from a perspective of its available resources within the firm and its capability to make use of these in an effective manner (Grant, 1991). This will enable the MNC to formulate a competitive strategy in order to create a strong brand and influence the capability to make use of its brand management to generate a sustained competitive advantage (Peng Cui, Hu & Griffith, 2014). This could help a company communicate its brand's value to the customers, resulting in building and generating brand equity against competitive threats (Peng Cui, et. al. 2014). Such competitive threats may include changing market conditions which will be addressed next.

International brand management within a MNC can be challenging since they must constantly adapt their brand to changing market conditions in terms of changing consumer behaviors (Van Rekom, Jacobs & Verlegh, 2006). The fashion industry is one sector where the brand management can be argued to be challenging. This is because of the industry's diversity of similar products, which requires companies offering products with high intangible values in order to more readily interact with the customers' values (Van Rekom et. al. 2006). Additionally, the customers' demands are constantly changing depending on trends or external environments (Keller, et. al., 2015). For instance, the Covid-19 pandemic during 2020-2021 harmed multinational fashion companies by shifting customer behaviors away from physical stores to e-commerce adoption (McKinsey & Company, 2021). According to the trends in 2023, the fashion industry will face new challenges in terms of undercutting consumer demand as a result of hyperinflation. However, the forecast of 2023 indicates lower overall consumer spending while the wealthy consumer segment will keep the luxury sector strong (Amed, André, Balchandani, & Berg, 2022). Because of the dynamics and complexities within the fashion industry, the thesis will focus on this sector.

The above arguments regarding today's globalized markets and the challenge of changing market conditions in a fragmented industry, strengthen the importance for a MNC of having a strong international brand management. As stated above, the dynamics of the fashion industry require further investigation to provide an improved knowledge of how fashion companies are able to develop and adapt their international brand management capabilities to generate brand equity and a competitive advantage. According to Huggard and Cope (2020), the

fashion industry is divided into several sectors such as fashion manufacturing, fashion design and fashion retailing. Focus in this thesis will be concentrated within the fashion retailing sector and when referring to fashion companies in this thesis, it entails multinational fashion brands operating in the fashion retailing sector. Further, previous research of this topic will be explored in order to address this thesis purpose.

1.2 Problem Discussion

As stated in the background, a MNC must adapt their brand management capabilities in order to be competitively successful during changing market conditions. A research review has therefore been done to examine what has been researched about multinational corporations' brand management and their capabilities to stay competitive in correlation to changing market conditions.

The concept of brand management has become widespread during the recent decades and has been viewed in different aspects by researchers. Shocker, Srivastava and Ruekert (1994) are one of them that addressed challenges and opportunities facing brand management. They discuss the environmental pressures on brand management and how marketers must create competitive advantage by constantly adapting to environmental changes. Oksana Kononenko (2021) is another researcher who has analyzed brand management in a wider feature, specifically the theoretical aspects of the organization brand management. Kononenko (2021) argues that brands are a combination of tangible and intangible elements. Hence, the concept of brand can be both visual design elements and distinctive product features but also the aspects of customer interaction and quality of customer service. To go further in this discussion, Peng Cui, Hu & Griffith (2014) discusses intangible elements but in the concept of how to make a brand manager effective. They argue that human-, relational-, organizational- and informational capital of brand managers has an indirect impact on brand performance through brand management capabilities. While Peng Cui et al. (2014) describe how intangible capabilities make a brand manager more effective, Santo-Vijande, Trespalacios, Sanzo & Rodriguez (2012) argues how using the most effective dynamic capability for the individual company acquires a sustained competitive advantage. Furthermore, in order to sustain brand-building activities to be competitive on the market, it is necessary to have a good brand orientation, internal branding, and brand management. Research about international brand management capabilities adapting to changing market

conditions within MNCs have not been found. On the contrary, firms adapting to changing market conditions have been researched in other aspects, especially after Covid-19.

International Finance Corporation (2021) published a report of how business in all industries, but especially in emerging markets, are responding and adapting during covid-19 and recovery. The report analyzed what the opportunities for accelerated inclusion are in emerging markets and what the responses are across sectors. The key findings are an acceleration in the uptake of disruptive technology and the business with digital use, for example e-commerce, has had it easier to adapt to the changing market conditions that Covid-19 created. Yasunori Fujita (2008) furthers the discussion by looking into how the fashion market today is characterized by rapid change. Fujita (2008) explains this by investigating the ways that a fashion retailer should sustain its brand value in a fluctuating market caused by customers' demand. Other researchers have broadened this changing market concept to other external environmental impacts on organizations. For instance, Macchion, Pamela, & Vinelli (2015) studied several fashion companies and found that problematic economic conditions were reflected in an increased price sensibility in consumer demand. As a result, companies have to align their marketing and operations actions to address new and emerging needs. Nevertheless, supply network integration is as crucial to responding to shifting market conditions, even while marketing actions alone are insufficient (Macchion, et. al. 2015).

A comprehensive review of the above mentioned studies on international brand management and their capabilities, the fashion industry, and changing market conditions reveals that there is a research gap in this area in the field of international business. The fact that these have each been analyzed separately, but rarely do researchers combine these together. The ones who have done it didn't apply a totally qualitative methodology with an abductive approach or focused on Swedish multinational corporations. However, Sweden is a country where a lot of MNCs have their headquarters, such as the fashion industry, (Hauge, Malmberg, Power, 2009) and therefore, a gap can be found in this field of studying Swedish multinational fashion brands brand management capabilities during changing market conditions. A qualitative methodology with an abductive approach will give a deeper insight and understanding of phenomenon within MNCs international brand management in regards to the challenges that the fashion industry provides. As a result of this, it is discovered a lack of

theoretical and analytical approaches within the topic of these concepts together in the Swedish multinational corporations.

1.3 Purpose

The purpose of this thesis is to explore how Swedish multinational fashion brands navigate the complexities of international brand management in response to maintaining a competitive advantage during changing market conditions, by using an exploratory study. This thesis examines downstream branding and will provide further knowledge of how Swedish multinational fashion firms manage their brands in the face of changing market conditions. It places particular emphasis on consumer demand and its behavior, what resources are required in various markets, and what capabilities are needed to maintain competitiveness under changing market circumstances. Additionally, the thesis will provide an understanding of what characteristics a multinational fashion brand needs to have internally in order to develop its international brand management capability and preserve its brand positioning. The research question has therefore been formulated as follows;

1.4 Research Question

How do Swedish multinational fashion brands adapt their international brand management capability to stay competitive during changing market conditions?

2. Theoretical Framework

This chapter presents meaningful theories as a framework basis for evaluating the empirical data and attempting to answer the research question. The theories chosen provide the study with a reasoning of understanding the thesis topic. A definition is initially provided of what international brand management entails, its purpose of creating brand equity in order to provide the reader with its relation to the chosen theories. Thereafter, presented theories will provide an understanding of what decisions MNCs must consider regarding its resources, capabilities, leadership and marketing strategy within its international brand management in a highly dynamic industry. Finally, a conceptual framework will be presented based on the chosen theories. The conceptual framework will explain how each theory contributes to an analysis model in order to obtain the purpose of the thesis.

2.1 International Brand Management

Keller, et. al. (2015) defines brand management as the process of creating, measuring and managing the equity of a brand. Brand equity is defined as an intangible asset of a company, frequently mentioned in the context of brand management that refers to the value adding of a product to the customers, but also value to the firm (Aaker, 1996). Furthermore, Aaker (1996) describes brand equity as a set of assets (and liabilities) that includes four major characteristics including brand awareness, brand loyalty, perceived quality and brand associations. Brand awareness is determined by how well customers recognize the brand and how frequently it arises in their minds and generates extensive sales which is a huge asset. Brand loyalty can be reflected as a customer loyalty asset that provides brand value by developing a loyal customer base that frequently buys the product. Perceived quality is a brand association considered as an asset due to its driving forces of sales and brand perception. The last asset, brand associations, includes product attributes, influencers or symbols that recognizes the brand identity. With this said, one could explain brand management as the investment in creating and improving these assets of brand equity (Aaker, 1996).

As mentioned in the introduction, a MNC's international brand management in order to create brand equity can be argued to be challenging. The challenging part can be explained by globalized markets, which shifted the external environments and has given companies new capabilities within their brand management. Moreover, the term of international brand management is being applied when considering the concept of managing the brand over geographic boundaries as a company operating in the international business field (Keller, et. al. 2015). This involves on one hand the strategic management of protecting and managing a company's brand equity which can be seen as the brand manager's capability to deploy its resources effectively within its brand management (Peng Cui, et. al., 2014). On the other hand, international brand management involves strategic decisions of how the marketing strategy should be designed to satisfy different market segments. This entails concerns about standardization or adaptation to different markets as well as questions regarding the marketing mix activities such as what products the company will offer, how and where the company will sell it, and at what price (Keller, et. al. 2015).

2.2 The Resource-Based Theory of Competitive Advantage

In order for a multinational fashion brand to decide the correct strategic decisions within its brand management, Grant's (1991) research paper can assist. Grant (1991) argues that the resources and capabilities are the most central considerations when formulating a strategy since these two components result in a company's sustained competitive advantage. In order to accomplish these competitive strategic decisions, a firm must start by distinguishing between its resources and capabilities. The resources are defined as its inputs into the production process, where intangible resources, such as employee skills, are the most strategically important once. The tangible resources, such as equipment, buildings and inventory, are most important when discussing maximization of productivity. However, the capabilities are defined as a company's activities as a result of teams of resources working together. For instance, this entails work within the company's product development, employment, financial control or operations. The key to formulating a strategy from a resource-based view is therefore to understand the relationship between the company's resources and its organizational capabilities (Grant, 1991).

Furthermore, the resource-based view identifies four characteristics of both resources and capabilities that need to be fulfilled in order to sustain a competitive advantage (Grant, 1991). Firstly, a company's competitive advantage can be explained by durability of a resource, for instance intangible resources like a brand may sustain a competitive advantage and be valuable if it has a long durability, especially during changing market conditions. However, capabilities have a better potential of being durable because of the human capital that can be maintained and replaced. Secondly, Grant (1991) recalls a company's resource and capability of being unique in obtaining its resources in comparison with competitors as transparency of competitive advantage. Thirdly, a resource and capability should not be transferable to competitors, meaning that it should be in-imitable. Finally, a company must ensure that a resource and capability cannot be replicated by another comparable asset. Furthermore, the tangible resources are easier to be replicated by competitors whereas capabilities are less easily replicable (Grant, 1991). All these four outlined characteristics must be fulfilled in order to maintain a competitive advantage from a resource-based view.

2.3 International Brand Management Capabilities

Grant's (1991) distinguished between resources and capabilities and defined capabilities as a company's ability to deploy the resources. A more recent research paper written by Peng Cui, et. al. (2014), develops the definition of a company's capabilities further by linking the term to brand management and its brand manager. Peng Cui, et. al. (2014) provides a model, illustrated in figure 1, that describes four different types of intangible capital incorporated in the brand manager in order to create a company's brand management capabilities. The model demonstrates that a company will generate brand performance when the brand manager fulfills its embedded intangible capital. This is because the intangible capital cannot be replaced and builds on tacit knowledge. Hence, the brand management capabilities are influenced by the brand manager's four types of intangible capital as presented in figure 1.

Human capital refers to the brand manager's own skills and knowledge, such as communication skills, which contribute to the capability to communicate the brand's values effectively. Relational capital refers to the brand manager's internal and external business relationships and networks that leverage brand effectiveness. For instance, by partnerships or collaborations that enable effective brand communication. Organizational capital refers to the brand manager's understanding of policies and processes of the company's brand management that contribute with structure and effectiveness within the operations. Finally, Peng Cui, et. al. (2014) defines informational capital as the brand manager's understanding about the customers, brand image and performance, which adds value to the brand positioning. Through these four influenced capital, the brand management capabilities can be described as the process of maintaining the company's brand positioning to keep the brand's offering relevant to its customers. Additionally, brand communication and brand relationships are also as important to build a relationship between the brand and its customers. According to Peng Cui, et. al. (2014), this will result in improved brand performance that can be measured by brand equity.

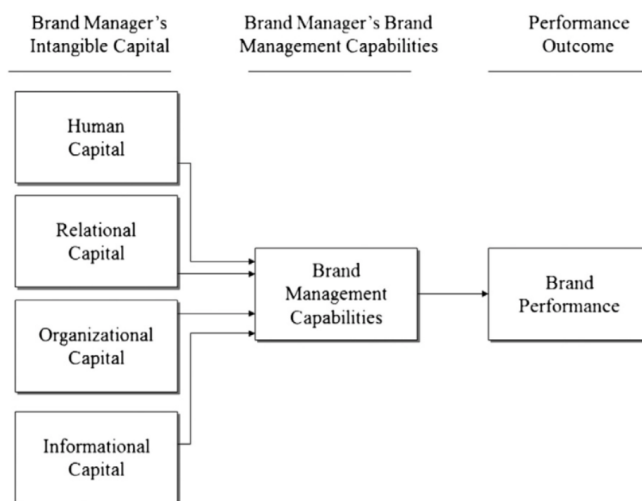


Figure 1: Brand Management Capabilities (Peng Cui, et. al. 2014)

2.4 - Dynamic Capabilities

As previously mentioned, the international brand management within a company could be seen from a resource-based view as a capability to deploy a company's resources (Grant, 1991; Peng Cui, et. al. 2014). Whereas Grant (1991) defines capability in general terms without considering changing market conditions, later research added dimensions to the term. Teece and Pisano (1994) was first to introduce the term "dynamic capabilities", which emphasizes two key aspects of how to generate a sustained competitive advantage. In this research paper, dynamic capabilities are defined as "the subset of the competences/capabilities which allow the firm to create new products and processes, and respond to changing market circumstances" (Teece & Pisano, 1994; p. 541). By obtaining this dynamic capabilities approach, a firm can maintain a competitive advantage during changing market conditions.

Furthermore, Eisenhardt and Martin (2000) expanded the resource-based explanation of dynamic capabilities by addressing today's highly dynamic markets. The report explains dynamic capabilities as organizational processes and routines like product development, strategic decision-making or resource reconfiguration. This means that by reconfiguring, integrating, improving or releasing resources, these dynamic capabilities of a company changes the resources as markets emerge, collide, split, evolve or die. The structural pattern of effective dynamic capabilities depends upon the market dynamism. In highly dynamic industries, the structure is unpredictable, successful business models are unclear, and market

players such as buyers, suppliers and competitors are ambiguous and shifting. In such an industry, dynamic capabilities are the most effective. However, the dynamic capabilities in a highly dynamic market must rely on rapidly creating situation-specific new knowledge rather than existing knowledge. By this explanation of dynamic capabilities, Eisenhardt and Martin (2000) challenge the traditional resource-based view and argue that a sustained competitive advantage is found in resource configuration. In highly dynamic markets, the competitive advantage is unexpected and time is critical to strategy. In conclusion, this perspective of the resource-based view emphasizes resource reconfiguration in order to sustain a competitive advantage during changing market conditions. As a result, the dynamic capabilities are more of a continuous learning process of developing new situation-specific knowledge within a highly dynamic market (Eisenhardt & Martin, 2000). This later explanation of dynamic capabilities provided by Eisenhardt & Martin (2000), keeps the term's relevance to today's highly dynamic industries which is of importance for this thesis.

2.5 - Agile Leadership

With the emergence of the creative economy of the twenty-first century, constant innovation for the benefit of customers and adapting to the rapid change are essential for survival (Denning, 2016). Firms have to integrate horizontally to actively interact with customers. To operate with an interactive communication dynamic will lead to that anyone can talk to anyone and ideas can come from anywhere, including customers (Denning, 2016). As a result, the business will develop into a growing, acquiring, and adaptable organization that takes advantage of new opportunities and creates new value for consumers. This is what Stephen Denning (2016) calls an Agile organization. Denning (2016) also describes that even small teams can handle complex problems if they use an agile leadership and become an agile organization. Horizontal conversations means that everyone talks with everyone, shares the same goal and operates in a common cadence, which comes from the agile leadership embracing fundamentally different assumptions and mindsets. Denning (2016) describes that there is a group called LC (Learning Consortium) who tried to learn from each other about agile practices and the main findings were that agile is primarily a mindset, agile needs strong inspirational leadership, and big old firms have been able to change to agile.

Even if the mindset of an agile leader is important, some other components have to work together in order to be an agile organization. Agile is an umbrella term of Scrum, Kanban,

and Lean which allow cross-functional, self-organizing teams to collaborate to evolve product needs and solutions. It encourages flexible and quick responses to client feedback as well as adaptable planning, evolutionary development, early delivery, and ongoing improvement. The definition of Scrum is a flexible, integrated approach to product development where a development team collaborates to accomplish a shared goal and challenges presumptions of the conventional, sequential method. Kanban is an inventory-control and scheduling system used to manage the delivery of tasks. The strategy seeks to increase the flow of completed work by limiting the amount of work that is currently in progress. The last concept of the agile term is Lean and in its later evolution, lean has grown to be more closely identified with process enhancements intended to shorten cycle times and boost productivity (Denning, 2016). These three terms described by Denning's (2016) can be linked to the company's procurement and technology development which involves and affects every activity within the firm, including its downstream activities (Porter, 1986).

2.5.1 Effectual vs. Causal Thinking

To further the discussion about being able to be adaptive and add new value to customers, agile leadership can be linked to Sara Sarasvathys (2001) way of describing two ways of decision-making; causation and effectuation. The criteria for causation decision-making is formulated as a "choice of means driven by characteristics of the effect the decision maker wants to create and his or her knowledge of possible means" (Sarasvathys, 2001; p. 251). The decision maker helps choose between means to achieve the given effect since the effect is given. They concentrate on the predictable elements of an ambiguous future because, to the extent that they are able to predict it, they can control it (Sarasvathy, 2001). Therefore does Sarasvathy (2001) explain causal decision-making as necessary when a company already has a working business model or distribution channel. Causal is therefore necessary to be able to scale it.

The converse of causal reasoning is effective logic, which states that if one can influence the future, one need not worry about predicting it and therefore focusing on the controllable aspects of an unpredictable future. Effectual decision-making is most useful when a company needs to bring people on board to create something new (Sarasvathy, 2001). The emphasis is on using a variety of evolving means to accomplish brand-new objectives. For instance, start

new endeavors by starting with the means; who I am, what I know, and whom I know. Furthermore, the company needs to take into account prospective outcomes that result from their resources and the fact that they are less focused on a single goal and instead have a variety of potential outcomes, all of which are desirable. Additionally, they welcome surprises and concentrate on things under their control since they are effective problem solvers who know their efforts will lead to the intended results; in the event that they don't, they are resourceful, adaptable, and flexible (Sarasvathy, 2001). Sarasvathy (2001) describes that this is why successful entrepreneurs often use an effectual decision-making in the beginning.

2.6 - Standardization vs Adaptation in the Marketing Mix

One component within MNCs international brand management is a company's international marketing strategy (Cavusgil, et. al. 2020). This entails an international marketing program consisting of the marketing mix, as well as the managerial decision whether to standardize or adapt its marketing mix decisions within the international marketing strategy (Cavusgil, et. al. 2020). McCarthy (1960) was first to introduce the marketing mix as a tool consisting of four elements (product, place, promotion and price) that a MNC must constantly work with in order to satisfy the ever-changing consumer and to differentiate itself from competitors. The concept of the marketing mix has received a lot of attention, especially in the international business field. In addition, research has highlighted the challenging task of how a MNC should balance between the standardization vs. adaptation decision within its marketing mix in today's international business environment. Theodosiou and Leonidou (2003) made a framework by reviewing earlier studies within several industries and highlights the trade off between standardization and adaptation with regards to McCarthy's (1960)'s explanation of the marketing mix, as will be presented further.

Theodosiou and Leonidou (2003) explains the difference between standardization and adaptation decisions in international businesses by referring to the standardization approach as a description of how globalization has created greater similarities between markets, leading to higher convergence of consumer needs and preferences. This is caused by technological developments which occurred in international communication channels such as social media and internet, as well as an emergence of global market segments. Meanwhile, the adaptation approach can be seen as a description of how globalization has created

variations between countries in terms of consumer needs and preferences, commercial infrastructure, laws and regulations as well as culture and traditions. This entails a necessity for a company competing internationally to adapt its marketing strategy to each foreign market in order to serve these differences (Theodosiou & Leonidou, 2003).

Furthermore, McCarthy's (1960) concept of the four P's within the marketing mix will be addressed and connected to an international business approach by assessing the standardization vs adaptation issue as Theodosiou and Leonidou (2003) discussed in their research paper. However, McCarthy's (1960) framework doesn't consider today's digital marketplace which needs to be considered in terms of two elements within the marketing mix, namely the place- and promotion strategy. Thereby, Constantinides' (2006) updated marketing mix will be added when presenting these two elements, in order to take this into consideration.

2.6.1 - Product Strategy

McCarthy (1960) defines the product strategy as the importance of product development in a continually changing environment of customer change, changes in lifestyles, and a market with a wide diversity of products available. Firms must therefore differentiate their product features in comparison to competitors by promotional activities as well as adapting the product towards customer needs. Firms must also focus on market segmentation which seeks to adapt the product towards customer needs, with a focus on a group of customers with similar characteristics. According to McCarthy (1960), there is a trade off between product differentiation and market segmentation in a competitive international landscape with a large variety of products. A company's product strategy is thus about either focusing on product differentiation to create a unique differentiated product, or focusing on market segmentation with the goal to identify a group of customers with similar characteristics and customize the product towards those specific customers needs.

Most research suggests a standardized product strategy internationally, in terms of the standardization vs adaptation issue, according to Theodosiou and Leonidou (2003). This depends on the economies of scale generated when offering a standardized product since an adapted product towards local market needs and preferences would be costly. A standardized product strategy will also generate better coordination in terms of product quality and similar

brand image across markets. However, the adaptation argument for adapting towards the local market's legal framework for packaging and language requirements, should still be adapted according to Theodosiou and Leonidou's (2003) review of previous studies of several industries.

2.6.2 - Place Strategy

The second element in the marketing mix is the place strategy (McCarthy, 1960). This refers to the different kinds of distribution channels that businesses utilize, as well as the geographical location where the product is available. A firm can opt to sell directly to its customers, which gives the firm more control and close interaction with the consumer, allowing the firm to be more sensitive to changes in consumer behavior. Selling directly to customers, on the other hand, is costly. A less costly option is to sell through an intermediary, such as a retailer or a wholesaler. A retailer involves selling products directly to the end consumers, whereas a wholesaler involves selling products only to retailers. Using a retailer or a wholesaler allows for greater flexibility and adaptability to changing market conditions, even if the company loses control over its products. According to McCarthy (1960), the choice of channel depends on the type of product and customer satisfaction.

Considering the place strategy and the issue of standardization and adaptation, one could argue that the physical distribution needs to have a high degree of adaptation (Theodosiou & Leonidou, 2003). This can be explained by the changing market conditions as well as competitive and transportation conditions in international markets. For instance, the consumer demand adjusts the inventories needed as well as differences in available transport methods due to the infrastructure (Theodosiou & Leonidou, 2003).

It is important to take into consideration that McCarthy's marketing mix is a theory from the 1960s which was before the big revolution on technology and e-Commerce (Constantinides, 2006). Constantinides (2006) has therefore done an updated version of the marketing mix which includes the commercialisation of the internet usually referred to as e-Commerce. The 21st century of increasing e-Commerce has led to companies having to encounter new challenges such as customer empowerment, new forms of communication and interaction, high degree of marketing transparency, difficulty in maintaining competitive advantage and global operations. These challenges have also led to opportunities because of the ability of

easier being a global brand by selling products and doing marketing online and not just physical distribution. This has resulted in the place strategy now encompassing online sales, making it feasible to reach new customers without physically being present there (Constantinides, 2006).

2.6.3 - Promotion Strategy

The promotional strategy refers to informing, persuading and reminding customers about the firm's product which can be complex in reality (McCarthy, 1960). However, McCarthy (1960) provides a framework of how to succeed with effective promotion, namely to accomplish attention, to hold interest, to arouse desire and to obtain actions. Different methods that can be used and blended in order to accomplish this, for instance by personal selling, sales promotion and advertising. Personal selling is the direct selling to consumers in physical stores, sales promotion is a short-term marketing effort to entice small target groups to buy, whereas advertising is a marketing campaign aimed at large groups of people (McCarthy, 1960).

According to Theodosiou and Leonidou's (2003) findings, the promotion strategy needs to be the most adaptable towards foreign markets in a company competing internationally. The methods that need to be most or moderately adaptable are the advertising and the sales promotions because of differences in media availability, differences in language, competitors' actions and economic differences and government regulations. However, the firm's personal selling doesn't require that much adaptation due to the fact that the personnel within the company should have the same approach towards motivation, training and control of the salesforce regardless of the foreign market operating in (Theodosiou & Leonidou, 2003).

Constantinides (2006) updated version of McCarthy's marketing mix can also be used in the promotion strategy. As Theodosiou and Leonidou's (2003) describe, the promotion strategy being the most adaptable one. Constantinides (2006) also explains that customers in today's world using e-commerce need more attention. The companies need to pay more attention to customers' needs and adapt to fast-changing market conditions such as trends in order to stay competitive. The new streams of technology will lead to possibilities of being more adaptable to every individual and get a high quality of personal relationship with customers, due the

easy communication with the customers and offering them more choices because of global access (Constantinides, 2006).

2.6.4 - Pricing Strategy

Lastly, the marketing mix includes a pricing strategy that involves market research of the local customer expectations of the brand's value, as well as their readiness to pay and price sensitivity towards price changes which McCarthy (1960) further describes. Other factors affecting the price strategy include market distribution structures, competition, taxes and currency fluctuations. As a result, the pricing strategy needs to consider the legal framework in all different markets operating in which therefore may need to be adapted (McCarthy, 1960).

Finally, when assessing the trade off between standardization and adaptation, previous research shows that the price strategy should be more adapted to different markets due to economic and geopolitical factors such as fluctuations in inflation rates, government controls and cost structures (Theodosiou & Leonidou, 2003). These various differences between countries explain the difficulties of having a standardized international price strategy in foreign markets.

2.6 Conceptual Framework

A conceptual model has been developed in order to highlight the important themes as clarified in the theoretical framework. By the conceptual model, the reader will get a better understanding about the connection between each theory and its importance for solving the thesis' research question.

As seen in figure 2 below, the conceptual framework suggests both resources and dynamic capabilities as prerequisites in order for a company to create its international brand management capability to stay competitive during changing market conditions. This is based on Grant's (1991) as well as Eisenhardt and Martin's (2000) interpretation of a resource-based view where a company's resources and dynamic capabilities are the most central considerations for a company to sustain a competitive advantage in a highly dynamic market. Because of Eisenhardt and Martin's (2000) explanation of the dynamic capabilities,

agile leadership could be argued to be one type of strategic decision-making of its resources. This agile leadership can further be linked to the two different ways of decision making-processes called causal- or effectual thinking, depending on the business environments (Sarasvathy, 2001).

Furthermore, international brand management capability is a term explained by Peng Cui, et. al. (2014) as the process to create improved brand performance through a company's intangible capital embedded in the brand manager which can be related to the resource-based view of how to sustain a competitive advantage. However, as already described, this thesis interpretation of the international brand management capabilities expands this explanation by adding the importance of managing a company's resources and the dynamic capabilities including agile leadership during changing market conditions. Additionally, one part of the international brand management capabilities is to decide upon its marketing strategy such as the marketing mix (McCarthy, 1960). The marketing mix entails decisions whether to have a local responsive strategy or a more global strategy depending on how the brand wants to be perceived by its customers. This is a tradeoff between standardization versus adaptation as explained by Theodosiou and Leonidou (2002). In addition, the standardization versus adaptation decision within a MNC:s marketing mix depends upon a MNC:s available resources as well as its dynamic capabilities. This explains the relationship presented in figure 2.

In conclusion, the conceptual framework shows that a MNC:s international brand management capability to sustain a competitive advantage during changing market conditions, requires dynamic capabilities of managing its resources. To take these strategic decisions, one dynamic capability needed is agile leadership. Moreover, the international brand management involves decisions about its marketing mix strategy which entails a standardized vs. adapted approach in order to stay competitive.

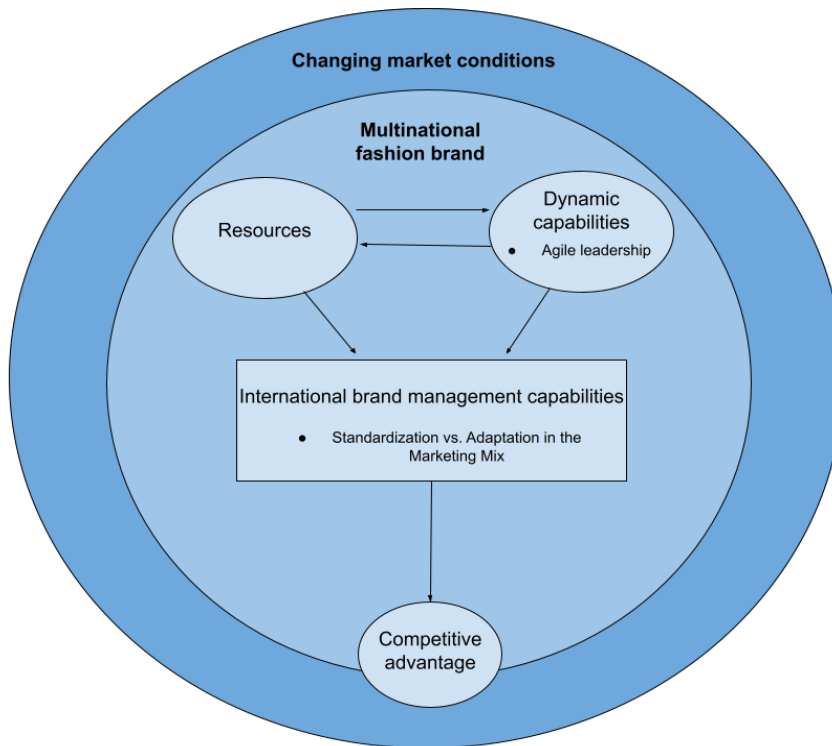


Figure 2: Own conceptual model compiled by the authors.

3. Methodology

In the following chapter, we will present the research methods used to obtain the study’s result. The section will discuss in detail about the choice of method and design of the research. Thereafter, a critical reflection on the quality as well as ethical aspects of the chosen method will be presented in order for the reader to fully comprehend the trustworthiness and consistency of the research topic.

3.1 Research Approach

An abductive approach has been chosen as the most appropriate for this thesis in order to relate the theoretical framework with the empirical data. The chosen approach enabled the study to be open-minded and flexible during the process of providing a theoretical framework and the empirical data by combining an inductive- and deductive approach (Patel & Davidson, 2011). In addition, the choice of an abductive approach was the most suitable since an exploratory study was conducted, emphasizing openness to acquire as much knowledge as possible about the topic (Patel & Davidson, 2011). As a result, the chosen abductive approach enabled the ability to explore the chosen topic of international brand management in more

detail during the time as the exploratory study has been carried out. This resulted in adjustments in the theoretical framework as well as the planned execution of the empirical data. For instance, one additional interview was held with each company except with one company in order to add questions about unexpected topics that appeared in the first interview as well as additional theories in the theoretical framework. In order to counteract potential disadvantages of the abductive approach, a conceptual framework has been provided of the chosen theoretical framework to formulate a hypothetical theory as transparent as possible without excluding other alternative interpretations (Patel & Davidson, 2011).

3.2 Qualitative Research Method

A qualitative research approach can be supported due to the exploratory purpose of exploring the research question that aims to get a deeper analysis and understanding of a MNC's international brand management within an industry that constantly meets changing customer behaviors. In addition, a qualitative research method in terms of qualitative interviews was best suited to the thesis' chosen topic because of the intangible characteristics of brand management that is easier to express by verbal and soft data, which allows the study to interpret descriptions and classifications of phenomena of the topic. (Patel & Davidson, 2011). Because an exploratory study supports information gathering from several sources (Patel & Davidson, 2011), the qualitative research method was supported by a well-prepared research design including collecting data from two sources as will be described further. However, the research design includes a selection and sampling method that also will be explained in the next section.

3.3 Research Design

This section describes the qualitative study's design. This choice can be explained by the aim of this thesis to fill gaps in empirical knowledge and to understand an issue of changing market conditions within a specific industry (Saunders et. al. 2019). A qualitative research design has thereafter been based on collected data in terms of primary data and supplementary secondary data (Patel & Davidson, 2011). Furthermore, the primary data has been collected by using qualitative interviews since it enables to capture a specific person's perspective of a certain subject. Secondary data has been collected as a supplement to the

qualitative interviews and to interpret each company's answer from the qualitative interviews. Further, the design of the study will be presented.

3.3.1 Research Selection

The research selection describes how the samples have been chosen, in terms of companies studied and chosen respondents, in order to understand how the result has been generalized. Non-probability sampling is the most appropriate inside an exploratory study, and was therefore the most appropriate research selection method of chosen firms and respondents within the companies (Saunders, et al. 2019). This indicates that the chosen respondents were drawn from their positions within the business. Following then, the non-probability sampling can be described as a purposive sampling (Saunders, et. al. 2019). This is due to the fact that the study's findings were based on small samples and qualitative interviews with one or two respondents from each organization which contributes to a deeper focus of the small sample (Saunders, et. al. 2019). The purposive sampling can thereby be explained by the representatives' knowledge and expertise within the topic of international brand management.

3.3.1.1 Selection of Companies

As seen in table 1 below, four Swedish multinational fashion brands were conducted within the fashion industry. The requirements when choosing each multinational fashion brand were that the company needed to operate internationally in more than one market other than the home market, as the definition of a multinational corporation (Eurostat, 2019). Furthermore, each chosen company is founded and has its headquarters in Sweden which is therefore considered as its home country. In addition, Swedish fashion brands with different target groups wanted to be explored in order to get a broader perspective of the fashion industry. Each company chosen can further be explained by established contacts. However, despite the respondents' knowledge, one could argue that the research selection of a small size can be a limitation in terms of generalizability (Saunders, et. al. 2019). Because of this, the respondents from each company have the same kind of position in terms of organization's hierarchy that allows the sample to be explored in more detail with minor differences. Further, the choice of the respondents will be described in detail.

3.3.1.2 Selection of Respondents

The respondents in this thesis have been chosen by a suitable selection depending on their experience and knowledge about the research topic (Denscombe, 2014). Their senior work position has therefore had a relevant role when choosing the right respondent for the company. Since the thesis is focused on brand management in correlation to changing market conditions internationally, it is important to find a person who has good expertise within this field. It is respondents from multinational fashion brands which makes it crucial to have good knowledge about internationalizing, both with regard to the role they have at the business they are being interviewed for as well as prior employment (Patel & Davidsson, 2011). This explains the choice of either having two respondents from each of the three companies where one has expertise within the internationalizing strategy and the other with regards to its international brand management. However, as seen in table 1, company C only has one respondent and one interview. This is due to difficulties of arranging a second interview, but on the contrary, the company has a centralized global strategy from the headquarters where the international brand management is managed by the respondent's team from the headquarters. All respondents have had previous work experience of high positions in several well-known Swedish fashion and interior brands that emphasizes its tacit knowledge. This explains why the chosen respondents contributed valuable information.

Company:	No of interviews:	Respondent position	Interview platform	Language of the interview	Length of each interview	Date
A	1	Global Warehouse Manager	Digital meeting Microsoft Teams	Swedish	60 min	2023-04-12
A	1	Head of Marketing & Communications	Digital meeting Microsoft Teams	English	30 min	2023-05-15
B	2	Sales & Growth Manager	Digital meeting Microsoft Teams	Swedish	30 min	2023-04-14 2023-04-25
C	1	Senior Brand Manager	Digital meeting Microsoft Teams	Swedish	30 min	2023-04-26
D	1	Brand & Assortment Manager	Digital meeting Microsoft Teams	Swedish	60 min	2023-04-26

D	1	Vice President of Sales	Digital meeting Microsoft Teams	Swedish	30 min	2023-05-02
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Table 1: Table over the conducted qualitative interviews with the company representatives.

3.3.2. Qualitative Interview Design

The process of conducting a qualitative interview is complicated and one reason for this complexity can be explained by the fact that qualitative research is not a uniform phenomenon. Qualitative interviews almost always have a low degree of structuring, i.e. the questions that the interviewer asks give room for the interviewee to answer in their own words (Patel & Davidson, 2011). However, the exploratory purpose encourages the qualitative interviews to be designed with open questions that begin with “What” or “How” in this thesis in order to be flexible and explore potential ways of gathering appropriate information (Saunders et. al. 2019). A qualitative study can also become very easily overly generalized, which can be problematic and as a result, the research process and interview questions have been well-prepared and presented in a transparent manner in this thesis by having standardized questions with specific themes, in order to stick to the research question (Patel & Davidson, 2011). In addition, the questions have been asked in a specific order, i.e. with a high degree of standardization. Using the concept of standardization, the method of semi-structured interviews has been used (Patel & Davidson, 2011). This implies that the questions have been divided into four different themes and all the companies have been asked the same questions. The first theme included questions about the company’s international businesses, the second is strategic decisions within its international brand management, the third is how they distribute their resource allocation internationally, and the fourth theme concerns the company’s approach towards changing market conditions. These themes have been chosen in order to answer all of the parts of the research question and get a structure for the interviewee and the research, since the questions within the themes are open ones as described above. The themes are also covered up by the chosen theories.

Lastly, the interviews have also been either 60 minutes or 30 minutes depending on how much time the respondent had to answer the questions. If it was only 30 minutes it was asked for a second interview to get the same amount of time and information for all companies in order to stay standardized with the interviews (Patel & Davidson, 2011).

3.3.3 Analysis of the Qualitative Data

The collected qualitative data has been analyzed in order to identify significant themes, patterns and linkages that emerged from the qualitative interviews (Saunders, et. al. 2019). Since the qualitative data was audio-recorded, it assisted in the process of transcribing the collected data and preparing the data for analysis. The transcription work is time-consuming and therefore, the transcription of the interviews was done shortly after each interview was held. A transcription software on the computer assisted the transcription work which reduced some time. However, the audio-recording was carefully listened to after using the transcription software, in order to ensure that the transcription software was accurate. After the collected qualitative data had been transcribed, a thematic analysis of the data was used. The thematic analysis enabled identifying the four themes used in the interview design in a systematic way (Saunders, et. al. 2019). As already described, the thematic analysis was chosen in order to capture the different dimensions needed to understand the phenomenon that the research question aims to answer. In addition, the thematic analysis contributed to a better systematic way of presenting the qualitative data in the empirical findings. For instance, the analysis of the qualitative data was done through a focus on finding three main takeaways from each theme in order to present likewise empirical findings from each company interviewed.

3.3.4 Secondary Data

Primary data has been conducted by doing qualitative interviewees but secondary data has also been acquired in the thesis in order to enrich the answers from the interviews and the research question. It is imperative to make sure that the data is obtained in a legal and ethical manner (Saunders, et. al. 2019). The secondary data has therefore been collected from either the companies website, interviews the companies have appeared in, or data that the interviewed person has been sending. This is already existing data that has been collected to increase the overall effectiveness of the research. The key advantages of using secondary data is the cost-effectiveness and saving time when doing research on already existing information and knowledge. While conducting the data, it has been important to be thoughtful and critical in the approach to carefully select the resources that are truthful. It has also been crucial to choose secondary data that is reliable and relevant to the research question. All the collecting data has therefore been approved by the company's interviewed person (Bhat, n.d.).

3.4. Quality of the research

In order to evaluate the quality of this research, four criterias will be analyzed. The first criteria is credibility which describes the importance of the research findings being plausible and trustworthy. The thesis has therefore an alignment between theory, research question, data collection, analysis and results. The methodology has also been well explicated and justified for the reader to get a deeper understanding of the thesis. Other than detailed descriptions of the different parts in the thesis, collecting secondary data has been done to fortify the quality (Stenfors, Kajamaa & Bennett, 2020). This leads into the second criteria which is dependability. Dependability refers to how easily the study might be repeated under similar circumstances. There is sufficient information and detailed distinct steps throughout the thesis in order for another researcher being able to follow the same procedural step, albeit possibly reading different conclusions. As described in the previous section, the research has followed thorough steps when analyzing the qualitative data. From this it is easier to get a well structure and find a clear link between the empirical data and the theory when doing the analysis (Stenfors et al., 2020). This describes the third criteria which is called confirmability. Lastly, the fourth criteria to get a qualitative thesis is transferability. Transferability refers to the ability to transfer the findings to a different situation, context, or group. As described in previous text in interview design, all interviews have been standardized, but with open-ended and generic questions. Hence, the question was presented to all respondents in a digital meeting. The fact that only a maximum of two persons have been interviewed for each organization may be a drawback. Contrarily, it has been determined that the respondents do indeed possess the best expertise and knowledge regarding the company's brand management capabilities in changing market conditions (Stenfors et al., 2020).

3.5 Research Ethics

Because the research for this thesis is based on explicit strategies within specific multinational fashion brands, the information gathered during the research process has been carefully collected with regard to ethical considerations. This is done in order to meet the expectations for how research should be conducted, as well as for the research to focus on high qualitative critical questions. As Patel and Davidson (2011) stated, the primary objective of all types of research is to create credible insights that provide valuable knowledge for both individuals and the development of society. To ensure this, the process has followed the

framework provided by the European Commission (ALLEA, 2017), “The European Code of Conduct for Research Integrity”. This framework includes four ethical principles; reliability, honesty, respect and accountability. The structured qualitative interview design and the secondary data method as explained in the earlier section ensured reliability, also known as validity in a qualitative approach (Patel & Davidson, 2011). In addition, validity was ensured at the end of each interview when the representative from each company was informed about the interpretation of their answers in order to ensure that the representative’s answer was accurately understood in terms of validity. The second principle, honesty, is about transparency and fairness. For instance, the dialogue with each company ensured honesty and transparency by providing information about the subject and interview recording to each respondent in the beginning of each interview. Moving forward to the third principle of the European Commission framework, respect was ensured by beginning each interview by letting each representative tell about themselves in order to show curiosity about the respondent rather than go straightforward to the interview question (ALLEA, 2017). Respect can also be explained by the caution of empirical data derived from interviews and secondary data collection as well as the choice to anonymize each company name. Finally, accountability has always been present throughout the entire research process in order to comprehend responsiveness and contribute with trustworthiness (ALLEA, 2017).

4. Empirical data

In the following chapter, the result from the thesis’ empirical findings will be presented. To begin with, all companies interviewed within this qualitative study will be introduced. Thereafter, the data collected are organized by the thesis’ main topics (as explained in previous chapter) adopted to study the thesis’ topic. The interview guide used during the qualitative study is presented in Appendix A. All companies have been anonymized, except the respondent’s company title, to protect them from unintentional consequences of their participation in this thesis. Furthermore, the majority of the data collected in this research study derives from primary data through qualitative interviews. However, secondary data has been supplemented in the first section of the empirical findings.

4.1 Company introduction

Company A is a young company founded in 2014. The company started because the founders found a gap in the market for an affordable footwear brand with a couture quality, today they also sell clothes and accessories. Sales take place through e-commerce, own stores and external retailers. They have their headquarters in Gothenburg with their subsidiary in London as well as physical stores in Sweden, Denmark, France, Netherlands, USA, Great Britain and Germany with an overall of 240 employees. The rapid expansion to internationalize has also been shown in their financial statement of 2021. Their financial growth in the beginning of 2021 has continued to be very good, with online sales showing double-digit growth figures during the first months of the year. In addition, the corporate group had an annual turnover of approximately 530 million SEK in 2021. The Global Warehouse Manager and the Head of Marketing and Communications was interviewed within this company.

Company B is a Swedish fashion brand founded in 1954 that sells clothing for both women and men as well as home interior. However, most of the company's focus is on women's clothing with the aim of inspiring and raising women's self-esteem. The company has around 200 employees. The company's major focus is online shopping and it is one of Northern Europe's leading e-commerce companies with its headquarters located in Borås. In addition to its e-commerce, the company has over 100 retailers throughout Sweden. However, the company does not have any physical stores which explains why e-commerce dominates sales. This is how the company sells internationally in 10 European countries, including the Nordic countries, Greenland, Faroe Islands and Eastern Europe. Furthermore, in 2021 the corporate group had an annual turnover of approximately 610 million SEK. The Sales and Growth Manager from this company has been interviewed twice.

Company C was founded 1986 by two skiers from Sweden who wanted to start a company that sold stylish ski clothing with a functional, simple, and attractive design. The company designs and sells sport- and leisure clothing, and accessories. The company has its headquarters in Stockholm where their team of design, sourcing, marketing, and sustainability is working. Company C has physical stores in 25 different countries with almost 200 employees in total. The company is today owned by a Finnish company, although it retains its headquarters in Stockholm within its home market. Company C, as a subsidiary,

had an annual turnover of approximately 280 million SEK in 2021. From this company, the Senior Brand Manager has been interviewed once to provide insights about its international brand management.

Company D was founded in 1953 with the aim to sell clothes, shoes and accessories for women, men and kids that are affordable and adaptable to everyday life. The company maintains roughly 360 physical stores in Sweden, Norway, Finland, Poland and the UK and has its headquarters in Gothenburg. Furthermore, the brand sells towards 16 markets through e-commerce. Company D offers several brands in order to serve a wide assortment for all occasions of life, for instance its own kids brand which also has its own physical stores. In order to keep its purpose of encouraging diversity, Company D has its own offices in all of their major production countries. Furthermore, it has around 4000 employees in nine countries around the world, with over 90% of employees being women. In addition, the company as a corporate group had an annual turnover of approximately 4 500 million SEK in 2021. Both the Brand and Assortment Manager and the Vice President of Sales have been interviewed within this company.

4.2 Company A

4.2.1 Internationalization Strategy

Company A has its own stores in its key regions, namely Scandinavia and the UK, in addition to having more than 40 dealers throughout the world. They want to be seen as an international company and are therefore focusing a lot on markets outside Sweden. The company wants to expand more both internationally to new markets but also in their existing markets. For instance, company A wants to expand with more stores in their already existing markets such as in the city London. However, they also want to expand to new markets such as the USA and Asia since they understand the substantial opportunities with the appropriate customers as a potential of growth, but also the potential of being a local player that will make them sell more according to the respondent. The Global Warehouse Manager respondent explains company A's way of choosing the right market to enter based on the meaning of the city, not just its population. They want the city to match their brand and what it stands for. It is important for the brand management to focus on the right cities and what

fashion trends the cities have that fits with their company. For example, it doesn't help the company to open up a store in Oslo because it doesn't make them big in Paris, rather putting up a store in Paris will help them in Oslo.

It is also important to have a good balance between the online shop and the physical stores since the physical stores do favor the online shop. For instance, if they open up a new store in London, they see that the sales increase locally but also in their online shop. The Global Warehouse Manager explained the communication between the teams worldwide as good. They have a centralized design- and marketing team in London, with close interconnectivity between the different offices and retail organizations internationally.

4.2.2 Strategic Decisions Within the International Brand Management

The Global Warehouse Manager describes company A's brand as a comparative lifestyle that attracts the right energies. The company follows a holy doctrine, namely that the brand must be worth more than the sum of its parts and are therefore much more than just a company who sells sneakers. This is to stand out from their competitors due to many in the fashion market selling sneakers as them. The brand should not rely just on the product, it should also rely on the brand and the attraction the customer feels to the company. It aims to be an inclusive- and value-driven brand, which has led to the company working with many different communities and collaborations such as gaytimes to reach out to HBTQ people. It is therefore important for the company to be associated with the right brands when they choose the retailers to sell their products. The retailers should sell more expensive clothes so the company gets associated with those types of brands. At the same time, this would view company A as a bit more affordable brand, resulting in the customers choosing them instead. The products are in the category "affordable premium" which targets the younger audience of 15-30 years old. The Global Warehouse Manager explains that they are careful with reducing the price even during changing market conditions in order to keep the affordable premium brand.

When company A was founded their aim was to make the brand globally recognized which has resulted in many customers not identifying the company as Swedish. The respondent describes that they have a strong brand management strategy implemented worldwide and every employee no matter where in the world, should have the same view of the brand. The

name of the brand is a fictional design which means that it can be whoever and can therefore be associated with a brand coming from many different countries in the world. No matter which store the customer visits in different countries, the Global Warehouse Manager explains that the stores should create a premium environment that feels special for the customer and the customer should be in focus. In order to ensure that all customers perceive the brand the same way internationally, the company has a person who travels around the world to their different stores and offices in order to teach the employees how the brand should be perceived by the customers etc. This is to make sure that the company seems as a global brand with same values wherever the market even if they may have locally collaborations.

4.2.3 Resource Allocation Internationally

The Head of Marketing and Communications explains that company A's strategic decisions of resource allocation internationally are currently deployed most externally through communication agencies in specific markets. More specifically, company A has communications agencies in France, Germany, South Korea, China and the United States right now. These communications agencies support the brand with brand storytelling moments and how to communicate to the customers. However, the aim of the brand management in the future is to deploy the key territories with the most internal resources, whereas in secondary markets where they do not have the same capabilities, the aim is to deploy a communication agency that handles the communication. For instance, the key territories would have localized teams of company A's own personnel that work closer to the specific local customers. Furthermore, the Head of Marketing and Communication highlights the need of thinking proactively in its decision-making process by providing an example. Last year, the company expanded into China which is a completely new market for the brand with little brand awareness. Prior to doing so, in order to gather resources and insights, they will typically work with different agencies or different focus groups to be able to understand the brand sensibility to the new market. This can be seen as a preventative measure in order to measure the brand's health. However, company A is planning to expand to the United States later this year which requires the same exercise of looking at the brand health.

Additionally, company A explains its most important resources within its international brand management as firstly, an agile mindset. Specifically, the Head of Marketing and

Communications describes that in the speed of fashion and the speed of trends, one must find employees who can acknowledge those shifts that are happening and try to bring them into the brand's purpose in an authentic way. In addition to agility within the international brand management team, the marketing tool in terms of social media is another important resource. This is because of the company's foundation from social media which contributed to dominating sales through e-commerce and a creation of a brand community consisting of its customers.

4.2.4 Brand Management in Relation to Changing Market Conditions

Company A provides several strategies in how they ensure its brand to be competitive during constant changes in the market conditions. Firstly, it has a strategy of systematized product development which aims to release new styles in one of its product categories every week and individualize each piece on different markets to regularly get feedback from customers and stay updated for development of new styles. Secondly, company A emphasizes the right focus of successful products by involving customers through their marketing strategy of hosting events. Moreover, they believe in continuously strengthening the brand management during changing market conditions and when asking about their ability to utilize its resources by finding new ways to interact with its customers. For instance, a significant part of their marketing strategy has been to host events and invite customers to their brand community. The company still hosted outside events during covid-19 even though they had limited guests in the markets where it had the possibility, while in markets with restrictions it hosted digital events. The Global Warehouse Manager explains that they emphasize the right focus on the brand and not just trying to sell as much as possible by lowering the price. For instance, the company has sales twice a year, and they only reduce prices at those times. Doing resale too often will be harmful to the perception as a premium brand since it affects the consumer behavior of consumption, according to the Global Warehouse Manager. This strategy of avoiding reduced prices too often is possible by their fast supply chain, with a majority of their production located in Portugal, which can quickly respond to changing market conditions. The company uses a strong brand approach and instead of offering sales, they change the focus to successful products depending on the current consumer behaviors. They also use their ability of relying on their three pillars. The three pillars of e-commerce, retailers and their own physical stores. Depending on the market conditions company A can focus more on one pillar if that's where the consumer demand is.

4.3 Company B

4.3.1 Internationalization Strategy

Company B mostly focuses on their position in the Scandinavian countries and some in the Eastern European markets. The choice of entering the Eastern European markets was primarily through acquisition. They are primarily selling through e-commerce since they do not have any physical stores in any of these markets except some retailers in Sweden. However, the last years have been less focused on entering new markets because of the challenging last years with Covid-19, Ukrainian war and inflation in Nordic countries. They are therefore focusing on maintaining their position in existing markets. They still have plans to enter and expand into additional European markets and the United States through third-party marketplaces such as Zalando in the future. The company sees potential in the USA due to its wide size range. The company has used a strategy of being local and adapting their brand to every market they entered which will be explained further in the next section. The Sales and Growth Manager explains this current strategy as costly and therefore planning to change towards a more effective global one. The Sales and Growth Manager emphasizes the importance of developing a global brand strategy as part of the company's international expansion plans.

4.3.2 Strategic Decisions Within the International Brand Management

When the Sales and Growth Manager explains the international brand management of company B, the main words used are; reliability, affordability, inclusion, and customer service. These are the values that the company wants their customers to think of when they hear the company name. They are proud of their wide size range and want that to clearly be shown in their brand management. The company has a pretty specific target group which is women in the midst of life who prioritize family time, well-being, and hobbies such as traveling and cooking. Even if this is their target group and core values of their brand, company B has divided its international markets into three regions and values local responsiveness in its brand management approach. They have therefore used a local brand strategy, and for example, in Eastern Europe they have one instagram each per market with their local language. The Sales and Growth Manager explains that this is no longer sustainable and cost-effective and the company's international brand management is therefore

about to be changed from a local brand strategy towards a more global brand strategy in order to efficiently expand in the future. The fashion brand now wants to position it as a Swedish fashion brand and decided therefore to add a tagline “of Sweden” beside its logo. To succeed as a global brand, the Sales and Growth Manager highlights the need for better internal brand management, targeting customer emotions, social belonging, and a strong product- and price strategy. To sum up, company B is currently reorganizing from a local brand strategy to a global brand strategy with a focus on being a Swedish fashion brand.

4.3.3 Resource Allocation Internationally

When asking about company B’s strategic decisions in terms of resource allocation internationally, the Sales and Growth Manager explains that its current strategy within international brand management is about to be changed as already mentioned. The local resource allocation within Eastern Europe will be successively removed because of the high resource utilization, in terms of personnel as well as social media content and collaborations with influencers in these markets. According to the Sales and Growth Manager, a global strategy will generate a better reputation and will require fewer resources as well as better control and coordination from the headquarters.

Furthermore, the most important resources within the international brand management are explained as primarily a brand director or a brand manager that safeguard its brand. In addition to the primary resource of a brand director, the internal brand management has an important role. When working in the fashion industry that constantly changes, continuous organizational- and competence development are needed. This is a constant work in progress where entrepreneurial management as well as strategic knowledge is extremely important. As the Sales and Growth Manager said:

“When the external environment changes continuously, a brand director needs to protect the brand in order to not be diluted. You would like the brand to change partially as the external environment changes, but not too quickly. Moving a brand from different trends and market conditions must be done with sensitivity in order to protect the brand from not being diluted.”

4.3.4 Brand Management in Relation to Changing Market Conditions

In order to ensure that its brand remains competitive during changing market conditions, company B highlights the importance of being close to the customers at the same time as the company's core values remain consistent. According to the Sales and Growth Manager, it starts with the core within a company, meaning the selling point of its products. The quality of its product is always the core that needs to be ensured. Thereafter, the international brand management entails to bring the company's core values with the product to the customer. The Sales and Growth Manager encourages this type of awareness as well as the importance of being close to the customers, which are essential during changing market conditions. Additionally, the core values must remain consistent and strong whereas the international brand management, which includes branding the core values, must be adaptable and transferable to the presence. Company B believes that having the ability to utilize resources in order to adapt the brand to changing market conditions are of much importance. The respondent explains that the company needs to be able to transfer their international campaigns within their brand management to the presence by becoming as close to the consumers as feasible in the local markets. The company must constantly find new ways to connect with customers, such as through social media, as consumer behavior evolves. Furthermore, the company highlights the continuous organizational- and competence development again to accomplish the utilization of resources within its international brand management to the presence.

4.4 Company C

4.4.1 Internationalization Strategy

Company C expresses itself as a strong brand with high competitiveness in the Nordic countries. In countries such as Germany and other deutsch countries, where they entered the market later, the company has less brand awareness and sees their competitors as much stronger. The respondent explained it as they have been working to find their positioning as a brand and distinguish themselves from competitors. The target group for the brand is consistent across all markets but the perception and relationship to the brand may differ depending on the individual's background and exposure to the brand. In addition, the Senior

Brand Manager informs that they want their brand awareness to be perceived the same throughout the international markets even though the target group, which mainly is considered as people between 25-35 years, has different types of life depending on their country which affects their relation to the brand. The decision to enter international markets is based on potential for growth and profitability, and strategic considerations such as market situation and geographic location. The company is expanding to Asia and Canada due to its market opportunities and interest from Asia consumers in technological outdoor products.

4.4.2 Strategic Decisions Within the International Brand Management

Looking at the international brand management of company C, the Senior Brand Manager describes the brand standing on five pillars. They firstly want to be recognized as a Scandinavian brand. Secondly, being perceived as a free-ride-inspired business; thirdly, demonstrating their connection to nature and the mountains; fourthly, community hood, which refers to a community where they work together both internally in the company and externally with their customers because many of the activities and sports that their customers participate in are done as a group; and, finally, being bold and progressive because the business strives to continually improve. The target group for the brand is people who live in big cities but have a strong interest in spending time outdoors and in nature, mainly between 25-35 years old. The Senior Brand Manager explains that building a brand that has a purpose is crucial in today's market, for example, they use athletes or "normal" models in their campaigns and collaborations to reach out the right message. Using authentic and genuine people in marketing campaigns can create a more personal connection with customers. They want to maintain the customers' view of the brand on every market, and therefore be an international brand. They are focused on maintaining a common view of their international brand management and have structured their organisation with managers for different teams, including marketing, communication, and local agencies. When communicating internally in the company between the markets, they have a person who is responsible for ensuring that everything they do aligns with their global brand. They have acknowledged that there may be challenges in processes and communication flows, however, they are working to streamline their process and ensure that their communication channels are aligned with their marketing and advertising strategies. In addition, the Senior Brand Manager informs that they want to achieve brand recognition of a brand that encourages belonging both internally and externally to the customers.

4.4.3 Resource Allocation Internationally

In order to take strategic decisions of resource allocation internationally in the brand management, the company emphasizes its organizational structure. Company C has its headquarter in Stockholm, Sweden, where all strategic decisions are centralized on a global scale. The Senior Brand Manager means that this entails that all coordination and control regards the resource allocation internationally are made from the headquarter, which make it easier to adjust the budgets of brand management within each market depending on the specific market situation. Furthermore, its international brand management entails specific key markets which require more resources in terms of employees and marketing budget including such as collaborations and social media content.

The Senior Brand Manager explains that the most important resources needed in international brand management is primarily an innovative mindset instead of additional resources. An innovative mindset can be explained as someone who is responsive to change because of the market dynamics. Moreover, the budget is another important resource which allows the international brand management to communicate with the customers even better. The marketing budget sets the framework of the company's advertising by communicating a personal and genuine brand through social media and collaborations with influencers.

4.4.4 Brand Management in Relation to Changing Market Conditions

Company C describes its approach to keep its brand competitive during changing market conditions, as a "consumer first" approach in order to be responsive to the customers. This entails to always look from the customer's perspective to better understand their needs and preferences, which has been especially important during the last years when the market conditions have been changing as a consequence of Covid-19. These questions may include such as if the customers are buying digitally through e-commerce rather than physical stores or information of how the customers react to the brand communication. As discussed in the previous section, an innovative mindset is therefore extremely important.

The company's "consumer first" approach highlights the importance of having the ability to utilize resources in order to adapt the brand to changing market conditions. The Senior Brand Manager described that the Covid-19 pandemic required a thorough evaluation of expenses

and new ways of being more efficient and cost-effective within the international brand management. The focus of change during such a particular situation was more on internal adjustments rather than external changes for customers. For instance, the Senior Brand Manager explained that they had to end two out of three PR agencies located in Germany, Austria and Schweiz. Furthermore, the company had to change contract with the PR agency they decided to keep which resulted in a more cost-effective brand management with a focus on the most beneficial markets.

4.5 Company D

4.5.1 Internationalization Strategy

Company D does have physical stores in Poland and the UK in addition to its main market in Scandinavia. They focus on the Scandinavian markets because of the similarities to the home market, Sweden. However, they are planning to expand to new markets and evaluating their strategy, or at least with their kids brand for the upcoming years. Company D will be focused on expanding on their existing markets first of all. When deciding which market to enter, the Vice President of Sales describes it by analyzing the purchasing power, competitive situation and fashion image to determine where to expand and use in-depth interviews with consulting agencies to gather market data. In addition, the Vice President of Sales informs that one way of trying to enter a market, might be to do a collaboration or a third-party marketplace in that specific market. Depending on the outcome, one could then decide to increase sales accordingly. Furthermore, the Brand and Assortment Manager also says that when they enter new markets they prioritize local adaption and have local country offices even if they have a global brand strategy.

4.5.2 Strategic Decisions Within the International Brand Management

Company D explains that they have a unique way of how their customers should perceive their brand. The aim is to serve customers with sustainable and affordable pieces with the purpose of encouraging diversity. The target group is primarily based on values instead of socio-economic terms. The company seeks to accommodate family life by allowing customers to enter the store and purchase clothing for every member of the family. They also

have infant clothes lines, giving customers of company D the impression that they are shopping for the entire family. Their target group are people who don't care about expensive clothes because of a special logo on the clothes, they want sustainable and up-to-date clothing, according to the respondent. The Brand and Assortment Manager explains their brand position on the market by referring to a triangle. In the bottom of the triangle are brands that sell cheap clothes and people who shop there do not really care about how they dress. In the middle are Company D with customers who care about sustainable clothes, want to dress good but like the same style as they have had for many years but at an affordable price. At the top of the triangle are customers who really care about their style and want to put a lot of money on clothing with special logos etc.

The company's international brand management is focused on being perceived as a global brand with control and coordination from the headquarter in Sweden. According to the Brand and Assortment Manager, most people in Sweden recognize the brand, whereas for instance in Poland, less people recognize the brand since they are relatively new to that market and do not have the same resources for market expansion and marketing their brand. Some parts need to be adapted by the local office in each specific market like for price setting, influencers and collaborations. However, the values are still the same in all markets, even within the production countries like Bangladesh.

4.5.3 Resource Allocation Internationally

Company D's resource allocation within its international brand management is primarily deployed to serve the Nordic countries with the most resources in terms of marketing budget, as already mentioned. This is because it is the most beneficial region with a large customer base according to the Brand and Assortment Manager. However, the company's local office in each international market provides local knowledge which requires somewhat more resources. Despite this, the company prefers a global brand strategy where they sometimes need to adapt its brand management locally, describing the choice of its resource allocation. Finally, the Vice President of Sales explains their resource utilization within their international brand management as mature and well-functioning because of its mature organizational processes.

In addition, the Vice President of Sales informs that in order to build the brand and adapt to changing consumer behavior, the most important resources are marketing budget and modernized staffing. The marketing budget is significant because of its ability to reflect the costs of being close to the customers. Modernized employees are preferable within its international brand management since today's marketing tools require technical knowledge to interact with the customers, such as social media developments. Furthermore, the employees within the international brand management need to be curious and willing to try and test new things.

4.5.4 Brand Management in Relation to Changing Market Conditions

Company D describes that it ensures its brand's competitiveness during changing market conditions by constantly being updated about the customers through customer surveys and by constantly creating a dialogue with the customers. Furthermore, the Brand and Assortment Manager explains that this requires them to be responsive to change which is one of their strengths. However, the company's purpose must constantly be actual. When asking regarding the company's ability to utilize resources in order to adapt the brand to changing market conditions, the Brand and Assortment Manager describes a situation that can explain their approach. The Covid-19 pandemic led to shifted customer demand from occasionwear towards loungewear as well as shopping through e-commerce. This reconfiguration within the company's inventory required quick responsiveness and by doing so, the company could meet the shifted demand without having a big stock and being forced to offer it all on sale. In addition, during changed market conditions because of the Covid-19 pandemic, Company D had to be locally adaptive and make strategic decisions that were best for each specific market. In addition, the Vice President of Sales highlighted the importance of local adaptation while maintaining a global retail strategy as well as being present near the customers both physically and digitally during changing market conditions.

5. Analysis

In the following chapter, the empirical findings will be linked to the theories chosen for this thesis topic. As presented in the theoretical framework, international brand management on one hand involves strategic decisions of the MNC's capabilities to make use of its resources, like its leadership and decision-making processes. On the other hand, international brand

management involves strategic decisions of the marketing strategy which entails concerns regarding the standardization vs. adaptation issue within the marketing mix activities. These concerns within the international brand management have provided a conceptual framework as presented at the end of chapter 2 (figure 2). The purpose of this chapter is to provide a foundation for the conclusion by analyzing the empirical findings using the conceptual framework, with each factor from the conceptual model assigned a subsection.

5.1 Resource-based View

The most central consideration when a company makes strategic decisions in order to generate competitive advantage is to understand the relationship between a company's resources and its capabilities (Grant, 1991). The companies interviewed agreed that their most valuable resources within its international brand management are its employee mindset and skills and a brand director's knowledge, which can be defined as intangible resources (Grant, 1991). A company's employee mindset and skills as well as a brand manager's knowledge may be explained by the intangible resources in terms of human- and informational capital's ability to communicate the brand's values effectively and thereby build brand loyalty and brand associations in order to create an international brand management capability (Peng Cui, et. al. 2014). However, company A mentions marketing tools in terms of social media as another important resource which should be interpreted as an intangible resource when thinking of the unique intangible values that this tool brings to the customers without being measurable. For instance by its brand loyalty through its digital brand community as the company explained.

Considering the intangible resources ability to create a competitive advantage, one could argue that the intangible resources as mentioned above could fulfill Grant's (199) criterias of durability and transparency. This is because of these intangible resources in terms of human- and informational capital (Peng Cui, et. al. 2014) are built on tacit knowledge that is unique and valuable to understand the customer behavior, to achieve brand loyalty and associations as already mentioned. In addition, intangible resources could also be found in terms of relational capital by each company's highlighted collaborations (Peng Cui, et. al. 2014). This contributes to the fulfillment of a durable and transparent brand, enabling the companies to create a durable and unique brand tailored to the company's core values and purpose, fulfilling durability and transparency of a competitive advantage (Grant, 1991).

Another interpretation may be that because of the competitive landscape in the fashion industry, intangible resources are of more value in the international brand management rather than the tangible ones that are easier to be transferable or replicated by competitors as argued by Grant (1991). However, today's marketplace might question Grant (1991)'s argument. The empirical findings show that all companies interviewed offer sales internationally through e-commerce. One could therefore argue that e-commerce internationally entails more intangible resources within its international brand management, such as marketing tools through social media worldwide. However, e-commerce could also be interpreted as resulting in less intangible resources in terms of employees because of less sales in physical stores. As Grant (1991) argued, tangible resources should be easier to transferable or replicate, but with today's digital marketing tools, these intangible resources might be more likely to be transferable or replicated by competitors. Grant's (1991) last two criterias of fulfilling transferability and replicability in the resources might therefore be questioned to fulfill by interpreting the empirical findings. However, even though these intangible resources can be transferable or replicated, competitors might not have the capability to make use of them successfully since the resources are durable and unique for each specific brand and its company's core values.

Except for the intangible resources that the companies interviewed had in common, each company interviewed argued for further components that can be interpreted as the capabilities to deploy its resources (Grant, 1991), such as the marketing budget as both company C and D mentioned. It is obvious that the capability of marketing budget enables prerequisites to build a durable brand equity by for instance enabling greater marketing decisions and therefore fulfilling Grant's (1991) first criteria. Furthermore, company A emphasized its agility whereas company B highlighted continuous organizational development as important components. Such agility, as well as the organizational development, could be viewed as capabilities that assist in becoming unique in obtaining resources as the second criteria of transparency (Grant, 1991). In addition, one could argue that continuous organizational development mentioned by Company B, is an example of the company's capability to ensure and maintain its resources' durability, such as a durable brand (Grant, 1991). The last criterias of transferability and replicability could be connected to each company's capability to deploy its human-, informational- and relational capital (Peng Cui, et. al. 2014), as discussed in

previous paragraphs, in order to deliver its specific brand's purpose and value to the customers which makes it therefore in-transferable and in-replicable (Grant, 1991).

One interpretation of analyzing the resources and capabilities from Grant's (1991) perspective may be that in a competitive industry with a diversity of products, it is somewhat more important to focus on its capabilities to improve brand equity since it is easy for competitors to transfer or replicate today's digital marketing tools for example. Hence, one should focus more on the capabilities to be able to create a sustained competitive advantage. Furthermore, the companies pointed out the capabilities as a constant development within its international brand management by providing several examples of the changing market conditions, which will be analyzed deeper in the next section when considering the importance of dynamic capabilities.

5.2 Dynamic Capabilities

The empirical findings indicate that each firm has its own strategic decisions on how to stay close to its customers during changing market conditions, which is a constant development within their international brand management to ensure that their brand remains competitive. Company A provided several examples of their developments in order to stay close to its customers and build brand loyalty, which can be observed as what Eisenhardt and Martin (2000) explains as dynamic capabilities. Firstly, the company attempts to improve its perceived quality through constant product developments by releasing new styles of its products in different markets regularly. Secondly, the company managed to continue with their marketing strategy of hosting events to its customers during Covid-19 by reconfiguring its events. These examples can be considered as a continuous learning process of developing new knowledge about its customer demands by reconfiguring its resources (Eisenhardt and Martin (2000)). In addition, Company A's rapid financial growth might be an answer to delivering perceived quality and brand loyalty through these dynamic capabilities within its international brand management and a confirmation to what Eisenhardt and Martin (2000) says is successful in highly dynamic markets.

Furthermore, companies B-D have different strategies of how to be close to its customers. The empirical findings indicate that different strategic decisions require more or less resources. As described by company B, their current strategy within the international brand

management requires high resource utilization which is not affordable. Consequently, they are about to change towards a global strategy with centralized control. This organizational process can be explained by dynamic capabilities as a result of changes in the resources (Eisenhardt and Martin, 2000). Company C's focus of change during Covid-19 pandemic was a thorough evaluation of its resources in its international brand management in order to find ways to be more efficient within its internal processes. At the same time, company D informed about their quick responsiveness in their inventory because of changed customer demands during Covid-19. All of company B-D's explanations of dynamic capabilities can also be connected to what Peng Cui et. al. (2014) explains influences brand management capabilities to accomplish improved brand performance, namely a company's organizational capital. These examples of organizational capital could help in forming the routines for the dynamic capabilities. This means that the result indicates that a centralized global strategy enables the capability to reconfigure the resources quickly within international brand management as the market changes.

By interpreting the empirical findings, all of the companies A-D explain their strategic decisions of change, release or add resources as a result of changed consumer behavior, which has a positive effect on the international brand management capabilities. Thus, confirming dynamic capabilities as a driver to sustain competitive advantage in a highly dynamic industry (Eisenhardt and Martin, 2000). However, different types of dynamic capabilities were discovered within each firm and one explanation for this could be that capabilities are developed through the formulation of strategy (Grant, 1991). Hence, these dynamic capabilities are based on the company's available resources. As a result, one may want to consider what drives each company to manage these developments of dynamic capabilities within the firm. Company A was founded in 2014 and stands out by describing various examples of how it develops organizational processes to stay competitive. In comparison to companies B-D, company A's aim with the dynamic capabilities are more customer-centric in order to build brand loyalty, whereas company B-D describe resource reconfigurations with the aim of profitability. One could argue that these differences are due to the foundation of the firms, implying that company A may have the mindset of a constantly learning process within its corporate structure because of its foundation through social media and young mindset. By contrast, companies B-D are all older firms with a long brand reputation and were founded in a time where it wasn't the same kind of rapid market

condition changes which may not require the same mindset or situation-specific knowledge embedded in their firms in order to sustain a competitive advantage.

However, having the founded dynamic capabilities in mind, one could argue that the companies interviewed may value some tangible resources as well, and not just intangible resources within their international brand management as the empirical findings showed. For instance, the empirical findings valued the dynamic capability of being able to adapt to changing consumer behaviors quickly by product developments and quick changes within the inventory. This raises the importance of the tangible resources, such as the inputs of the production process (Grant, 1991). For instance, company A mentioned their ability to answer changed customer demands and constant product developments because of its fast supply chain. With this said, the empirical findings indicate that the interviewed companies should have explained both tangible- and intangible resources as important resources within their international brand management, in line with the theory of Grant (1991). However, this analysis has so far not mentioned how to take the strategic decisions, just what strategic decisions that need to be made within the international brand management. Therefore, in the next section, the leadership within the international brand management will be addressed, in order to analyze if it can be seen as a part of the dynamic capabilities.

5.3 Agile Leadership

The significance of making the appropriate choices and setting the proper priorities in the face of changing market conditions has been discussed by all four multinational fashion brands in order to maintain market competitiveness. According to the empirical data, all businesses explain this by adapting to consumer demand in order to make the best decisions. Incorporating customers into their brand community is emphasized by company A, whereas "consumer first" thinking and constantly considering the needs of the customer are stressed by company C. This can be seen as always being updated on the customers demand in terms of both trends but also changing market conditions, such as Covid-19 that changed the consumer demand. Being able to always be quick on new market changes in order to keep the customers satisfied goes in line with what an agile leadership needs to be capable of (Denning, 2016). Some of the concepts from the agile leadership theory that the brands use to describe what they are constantly striving to improve are flexibility, adaptable planning, early delivery, and development (Denning, 2016). The Sales and Growth Manager from company

B even mentions that they think having a brand manager or brand director who protects its brand and continually works with organizational development, which can be associated with an agile leader. A brand manager's knowledge was also described above to be one of the most crucial intangible resources in order to stay competitive and an agile leadership can be seen as a valuable brand manager. This type of brand manager has to be flexible and adaptable to changing market conditions in order to have the dynamic capability of using the right resources at the right time as Teece & Pisano (1994) describes it.

One could argue that the concept of Lean and Scrum also has been discussed by the interviewees. Company A, B and D describe how they use retailers in order to accomplish a shared goal when entering a new market as well as company A and C also use influencers which describes the Scrum concept of the umbrella term agile because of the collaborating integrated approach that influencers entails (Denning, 2016). Lean concept has been discussed in the terms of all the four companies by adapting their production capacity due to Covid-19:s effects of consumer demand. The Global Warehouse Manager of company A explained that their short cycle times and boost productivity are their strengths because of their production in Portugal. This helps them to quickly adapt to the customers' demands which describes the concept of Lean to the fully (Denning, 2016). Company A is also the company who stands out by using both the modernity of both lean strategy, agile leadership, but also an effectual decision-making process which will be outlined further.

An effectual decision maker, as defined by Sarasvathy (2001), is someone who is creating something new on the market and therefore using means as; who I am and whom I know, which can be connected to company A's reasoning of focusing on the brand and emphasizing that focus as much as the products they sell. On the contrary, does the other respondent from company A explain that they are turning from a small start-up company to a bigger established one which leads to that they have to be more proactive. Being proactive can be seen as using a more causal decision-making process instead of an effectual one (Sarasvathy, 2001). The correlation between growing as a fashion brand and using a more causal decision-making process can be the increasing intangible- and tangible resources. The growth of a company with more resources also leads to less flexibility due to more employees being affected.

However, it seems like all companies do still use some effectual decision-making processes in order to be adaptable during changing market conditions but not to the same range as company A. Company B, C, and D are all older companies than company A which can be one reason why they still use causation decision-making a bit more than company A (Sarasvathy, 2001). On the contrary, it can be seen that for example, company B is turning into a more effectual way of thinking. This interpretation is based on their reorganization from a local brand strategy to a more global one due to realizing that they had to be more adaptable to the changing market. The companies' way of describing the concept of lean, effectual- vs. conceptual decision-making, and agile leadership explains the importance of being adaptable, which leads to the last part of the analysis.

5.4 Standardization vs. Adaptation in the Marketing Mix

Theodosiou and Leonidou (2003) describe that globalization has affected the standardization and adaptation strategy. It is clearly shown that this is how the respondents also explain it. The four different multinational fashion brands explain the complexity of being adaptable for the customers needs at the same time as remaining a global fashion brand.

When it comes to McCarthy's (1960) marketing mix of product strategy, all four companies explain that they need to have a standardized product strategy in order to get economy of scale but this is to a certain level. At the same time when changing market conditions occur, such as Covid-19 or changes in trends, the company needs to adapt their products quickly in order to stay competitive on the market. In this case, all the four companies adapt their quantity of products (Theodosiou & Leonidou, 2003). Company A said that their every week's release of product developments enables them to see if a market catches up on a certain product and then sell more of that product. Company D also described in the interview that during Covid-19 they had to change focus of what products to sell. As described earlier, they had to quickly stop some production of a product and increase production of another one. These explained strategies show that a combination of a standardized and adaptable product strategy is what all four companies are using, in order to be competitive during changing market conditions.

McCarthy (1960) place strategy describes that selling directly to customers is costly and therefore some companies choose to sell through retailers instead. This allows greater

flexibility and adaptability to changing market conditions. This is what both company A and company C are doing. The Global Warehouse Manager of company A explains the importance of finding the right retailers all over the world who sell the same type of products to maintain their customers' view of company A's brand management. Both company B and D explain that they want to start to sell to retailers. In addition, the respondent of company D described that when entering a new market, they will use a retailer in order to be more flexible and adaptable to determine if it is profitable to enter. This confirms McCarthy's (1960) view of their theory. On the other hand, Company A emphasizes the benefits of having three different pillars. This has helped them during changing market conditions. For example, by focusing on one pillar like e-commerce when they see that the consumer demand is changing towards those channels, in order to stay competitive. This illustrates Constantinides' (2006) way of explaining e-commerce breakthroughs. The complexities it is bringing but also the advantages of selling products globally which company B is showing by selling internationally only through e-commerce. Company D did the same thing during Covid-19 by changing focus to higher utilization of resources on e-commerce. Furthermore, Company B describes that they are using different strategies on different markets. In some markets they put less effort on their resources because it is not profitable and focusing more on other markets where the consumer demand is higher. However, McCarthy's (1960) marketing mix does not explain the importance of being adaptable to change channels during changing market conditions, which the companies during the interviews explained as a valuable strategy.

Another argument from McCarthy's (1960) place strategy is the choice of geographical location. All multinational fashion brands want to expand to new markets. They all choose to enter markets where they find customer demand and profitability for the company. McCarthy (1960) explains how the physical distribution needs to have the highest degree of adaptation. The companies also explain the importance of choosing the right market to enter due to the different levels of adaptation as a result of different levels of capabilities and resources needed. They all have their main markets in Scandinavia because they are similar to the Swedish market, which makes it easier to adapt to the customer demand, competitiveness and transportation conditions, as McCarthy (1960) describes it. This can be connected to the international brand management capabilities. Eisenhardt and Martins (2000) explanation of capabilities helps to understand how a MNC decides to deploy their resources to be adaptable and what their ability to do this depends on the market they enter. The company who stands

out is company A who also bases their decision on the meaning of the city because it should fit with their brand management. This does not occur in McCarthy's (1960) theory of choosing the right market to enter or neither Theodosiou and Leonidou (2003) of how and why to adapt to different markets.

Viewing this analysis of all the marketing mix strategies, company B is the company who stands out by using the most overall adaptive strategy. The benefits that Theodosiou and Leonidou (2003) explains of being adaptive, are supported by company B who emphasizes to satisfy each local customer. However, this has had consequences in the way of not being cost-effective and they have recognized that this is not beneficial anymore. Therefore, the company is now planning towards a more standardized global strategy in order to be effective with the resources and get more control.

On the other hand, it is important to take into consideration that company B's adaptation strategy is mostly focusing on McCarthy's (1960) promotion strategy which Theodosiou and Leonidou (2003) mean is the strategy that needs to be mostly adaptable towards foreign markets. For example, adapt advertising and the sales promotions with different language, media availability etc. This is what company B has done with their local Instagram with the country's language, which can be explained by Constantinides' (2006) argument of e-commerce leading to be more adaptable and personal to the customers. However, as already stated, they didn't find this cost-efficient anymore and want therefore to be global and only do promotion through one Instagram in English like the other three multinational fashion brands do. While each of them adjusts their promotion to some extent, they all continue to emphasize being a global brand and employ a standardization strategy. Due to the influence of social media, it can be argued that the four international fashion brands currently employ or will soon begin using a more standardized promotion strategy compared to what Theodosiou and Leonidou (2003) indicate is required.

When it comes to McCarthy (1960) pricing strategy, the interview questions have been focusing on adapting the price during changing market conditions and not depending on the different market currencies as Theodosiou and Leonidou (2003) describes it. All four multinational fashion brands explain that they try to not change the price to customers during changing market conditions. The focus is instead of internal adjustments like, for instance, during COVID-19 when internally adjustments were made to see if they could minimize some

costs and buy less quantity from the producers instead of adjusting the price to the customers. This shows that the companies A-D are keeping their brand management standardized in order to remain the perception of the brand and instead adapt things internally to ensure it won't affect the customer in a bad way, no matter what the changing market conditions are.

6. Conclusion

6.1 Answer to the Research Question

How do Swedish multinational fashion brands adapt their international brand management capability to stay competitive during changing market conditions?

To answer the research question, the analysis explains several various parameters that affect how Swedish multinational fashion brands adapt their international brand management capability to stay competitive during changing market conditions.

The empirical findings showed that intangible resources, such as employee skills and a brand manager's knowledge, are the most crucial resources needed to create an international brand management capability to sustain a competitive advantage. Additionally, tangible resources, such as inputs of the production process, are significant for being adaptable. However, one must stay close to the customers, without losing the company's core values and purpose, which requires the dynamic capabilities of deploying the resources within the international brand management. Such dynamic capabilities are based on the company's available resources. As a result, only internal adaptations occur by having the dynamic capability to change internal resources to changing market conditions. This has proven to be a prerequisite to sustain a competitive advantage. Additionally, the thesis' findings indicate that multinational fashion brands should also have the capability of continuous development as well as a centralized global strategy within the international brand management.

The marketing decisions also need to be considered to stay competitive during changing market conditions. The empirical findings showed that it is crucial to use a standardized global brand strategy when it comes to the perception of the brand and the product strategy. Even if adaptation of promotion-, place- and product strategy has to be done to stay

competitive during changing market conditions, the perception of the brand should be the same internationally to create brand equity.

In addition, agile leadership has been shown to be an important part in an organization, in order to perform strategic decisions during changing market conditions and to satisfy consumers' demand by operating with interactive communication. This gives an advantage of new market opportunities to stay competitive. When a brand manager is using agile leadership, its mindset will be one of the most valuable intangible resources for being competitive in the face of changing market conditions. The key in a highly dynamic industry like fashion, is to be adaptable, regardless of how long the brand has been in the fashion business.

To further the conclusion, when considering adaptability, establishing an agile leadership involves an effectual decision-making process within the international brand management. On the contrary, it is also shown that the ability to predict the changing market conditions in terms of changing consumer behaviors is necessary to stay ahead of competitors, which describes a causation decision-maker. With all of this in mind, multinational fashion brands do need to have a combination of both a causal- and an effectual decision-making process as the company grows.

6.2 Theoretical Implication

Drawing on the conceptual framework provided as a combination of already existing theories, the overall content of the framework reflects the reality of the empirical findings. However, an updated conceptual framework is presented in figure 3 below. The updated version is based on the analysis and will be explained further.

The primary findings confirm that the international brand management capability is created by both resources and the dynamic capabilities needed in a highly dynamic industry. However, Grant's (1991) four criterias could be questioned by the empirical findings where intangible resources are most valuable to meet the criteria of durability and transparency, whereas capabilities are most essential to meet all the criterias of durability, transparency, transferability and replicability of a competitive advantage. This is because the competition within the fashion industry offers a diverse variety of products, making it difficult to meet the

last two criterias within its resources. Moreover, the findings also indicate that a brand manager with embedded intangible capital has an essential meaning in line with the theory of Peng Cui et. al. (2014). As the conceptual framework suggested, this theory can strengthen what types of dynamic capabilities and resources are needed. From the analysis, the resources and capabilities have been exemplified by such as employee skills, collaborations, organizational routines and the brand manager's knowledge. The companies' capabilities confirms the suggestion by Eisenhardt and Martin (2000) to be a continuous development to stay competitive in a highly dynamic industry. In addition, the analysis adds that agile leadership should be seen as both a resource and a dynamic capability, as seen in the updated conceptual framework (figure 3).

Further considering Denning's (2016) theory of agile leadership, it can be seen as the brand manager who uses Sarasvathy's (2001) theory of effectual- or causal decision-making depending on the brands capability of deploying its tangible- and intangible resources which has therefore been added in the updated conceptual framework (figure 3). It has also shown that younger fashion companies tend to use a more effectual decision-making process but as they grow and get more resources, they tend to be more causal due to lack of flexibility and difficulties to quick changes. However, it is still crucial to be adaptable and it can therefore be seen that the older companies' need to keep some effectual decision-making processes to stay competitive. Therefore, it can be shown in the updated conceptual framework (figure 3) that causal decision-makers choose between their resources to achieve dynamic capability, whereas effectual decision-makers choose between possible dynamic capability to create given resources.

The analysis confirms that the standardization vs. adaptation decision within McCarthy's (1960) marketing mix is an element within the capability to stay competitive, as seen in figure 3. In order to maintain its positioning it is also important to be able to have the balance of a standardized and an adaptive strategy. Using a standardized global brand and product strategy has shown to be the most common and cost-effective choice by the multinational fashion brands. The price strategy should therefore also be standardized in order to keep the perception of the brand. On the contrary, the capability of selling different types of products to different geographical places and doing the promotion, has to be adapted since the consumer behavior differs depending on the market. The results indicate that fashion brands therefore use several channels as a brand management. Additionally, it can be observed that

resource allocation and market-specific conditions affect how much multinational fashion brands adapt to local markets in order to be profitable. This explains why the empirical findings indicated that multinational fashion brands prefer to enter markets that are similar to the home market in order to have a standardized global strategy. It keeps it cost-effective and easier to use the similar resource capabilities when adapting to changing market conditions. The result goes against Theodosiou and Leonidou's (2003) theory by saying that the promotion strategy should be the most adapted, while the analysis shows that the brands are moving towards a standardized global strategy as a development of today's social media.

To sum up, the analysis confirms the theoretical considerations as a part of the international brand management capability to stay competitive during changing market conditions. However, the updated version adds that an effectual- or causal decision-making process does have an essential part in both the resources and the dynamic capabilities. This is to comprehend the brand management during changing market conditions which can be directed by a more or less agile view, as seen in the updated figure 3 below.

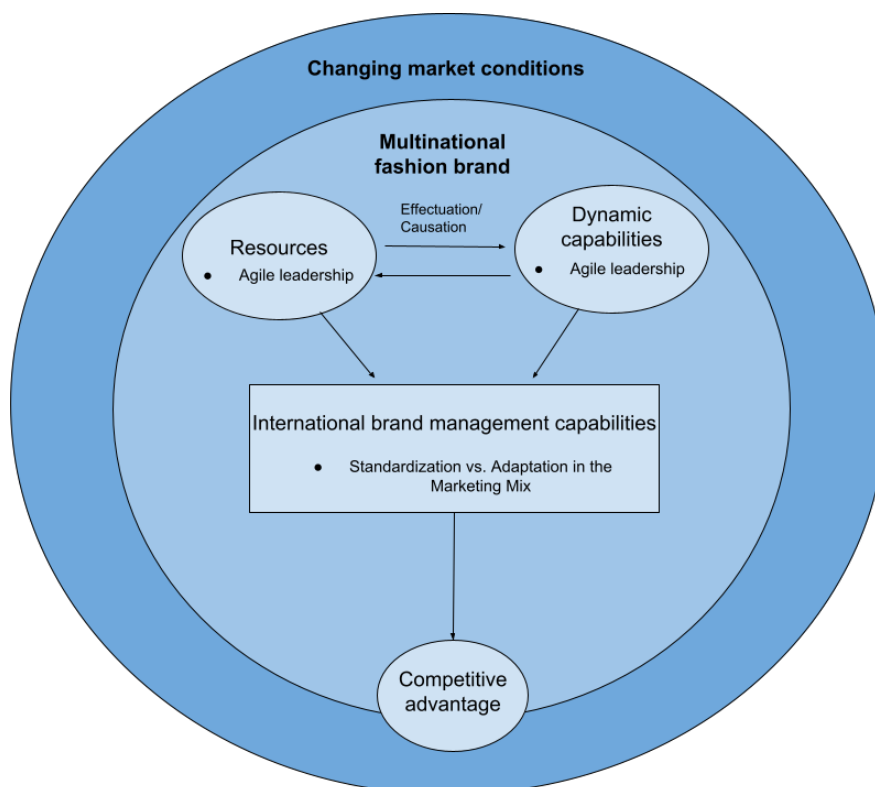


Figure 3: Updated conceptual model compiled by the authors.

6.3 Practical Implications and Recommendations

This thesis' analysis supports a recommendation of Swedish multinational fashion brands to continuously work with developments of the organizational processes and strategic decision-making within the international brand management. It can be concluded that the international brand management in the fashion industry is challenging in order to meet the diverse customer demands across different markets. To meet these challenges, as a Swedish multinational fashion brand, one should prioritize the continuous development of the intangible assets in terms of mainly its human capital with its mindset and skills in order to manage changing consumer behaviors. However, the competitive landscape within the fashion industry requires MNCs to ensure that the development of the internal international brand management aligns with the company's core values and its purpose. To be adaptive are important and especially when operating in the international business field where customer behaviors and trends differ between international markets. To succeed with this, the empirical findings indicate Swedish multinational fashion brands to have a centralized global strategy within the international brand management. However, the MNC should combine an effectual- and causal thinking when taking the strategic decisions. Having this said, the findings of this thesis can be applicable for multinational fashion brands when searching for ways to utilize their resources and capabilities to stay competitive. It can, however, be applicable even for smaller fashion brands that want to internationalize and seek recommendations for their main focus when entering the international business field.

However, this thesis can also contribute to the understanding of how MNCs can use its international brand management to provide its wide customer base with better products that communicate the social responsibilities that a MNC has. As described, international brand management is about managing a company's brand equity which can be viewed as a set of assets or even liabilities. In terms of liabilities, are the responsibilities of a MNC, for instance its perceived quality towards its customers. By creating brand equity through constant product development within its international brand management, it contributes to better quality of products and raising standards to the customers. As a result, one can argue that this increases the awareness of the customers which provides improvements for the society. For instance, better perceived quality will lead to demand for better quality and sustainable products. This thesis can therefore give an insight of how strategic decisions within international brand management contributes to better social responsibilities of a multinational

fashion brand. In addition, this thesis contributes to an understanding of how changing consumer behaviors has the power to put pressure on MNCs within the industry. The requirement for MNCs to be adaptable for change, will also benefit the consumption society through increased awareness of the societal responsibilities that MNCs in the fashion industry have. This will in turn put pressure on how the competitors make use of its international brand management to create brand equity by having its social- and environmental responsibilities in mind when taking the strategic decisions.

6.4 Limitations of the Thesis

The research of this thesis has had some limitations. Only four companies have been interviewed and they have different types of customers within the industry, in the sense of different target groups. This can have an effect on the answers due to the companies using different brand management to target their customers, even though the choice of companies aimed to explore a broader perspective of the fashion industry. Another limitation in this thesis consists of the fact that the findings may not be representative for the entire industry, especially in such a competitive industry as fashion is. The four companies do not represent the whole industry and a broader research and analysis could be done to get a deeper understanding of the research question, if it was given more time to do the research. The interviews have also been online on Teams due to respondents being on different locations in the country and in the world which has led to no observations in reality. The respondents have not had the same roles which could also be seen as a limitation but the respondents have been chosen as good as possible in order to get the best information about the research question but getting the same roles for all companies has not been possible. Company C is the only company that got 30 minutes of interview instead of 60 minutes which could be seen as a limitation, but getting 30 more minutes was not possible due to lack of time and information needed.

6.5 Suggestion for Future Research

As the environment of the MNCs international brand management within a highly dynamic industry is constantly changing, several suggestions for future research have been found. After evaluating this thesis, it is fascinating to see that all multinational fashion brands have a common goal of always putting their customers first by having an adaptable mindset. At the same time, each fashion brand makes these strategic decisions within its international brand

management in different ways depending on its brand's purpose. Therefore, it would be interesting to investigate a deeper case study of one specific company. A case study involving a more in-depth examination of several departments within the firm would provide a better understanding of how successfully the company's brand permeates internally and how it affects the customer's brand perception. Furthermore, something that emerged in the thesis was one company's planned reorganization within its international brand management. It would be of interest to analyze such a reorganization more in detail, in order to see if to some extent a centralized global strategy is more efficient within the international brand management in relation to the company's size. Furthermore, this study just focused on Swedish multinational fashion brands. One could instead study fashion brands with different origins to see if it would affect the company's strategic decisions within its international brand management to stay competitive in the highly dynamic fashion industry.

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Appendix

Appendix A

Interview guide for the representant from each company

Introduction questions:

- Is it okay if we record the interview?
- Can you please introduce yourself and your role within the company?

Questions with regards to the company's international business:

- What position do your company have in the market compared to competitors and how does it differ between the international markets?
- Why did you choose to enter the international markets in which you operate? Was there a specific purpose?
 - How do you see yourself in the international market in the next 5 years?
Expand or focus on the existing markets?
- How do you collaborate and communicate between different teams and departments in order to have a common image internally of how your global brand should be perceived?

Questions with regards to the company's international brand management:

- How do you want your brand to be perceived?
- What is your company's target group?
- How does the consumer's perception of your brand differ between the international markets you operate in?
 - What is most important for you, to create a global brand where customers in all markets view your brand the same, or to create a "local" brand where customers view your brand differently between markets?
- How do you measure the brand's strength towards the consumers?

Questions with regards to the company's resource allocation within the brand management:

- What resources do you allocate to manage the brand internationally, and how do you ensure that these resources are effectively deployed across multiple markets? (eg. personal, collaborations, budget, social media content creation resources)
- Can you give an example of a time when you had to make tough decisions about resource allocation in brand management? How did you handle the situation and what was the result?
- What resources do you think are most important within the brand management in terms of brand building and adaptation to changing consumer behavior?
- What do you think is most important within the team in your company's international brand management?

Questions with regards to the company's approach towards changing market conditions:

- How do you ensure that your brand remains competitive during constant market changes?
- How would you describe your company's ability to utilize resources in order to adapt your brand to changing market conditions? And how important do you think this ability is?

Last question:

- Thank you so much for taking the time! Lastly, we would like to ask if you have any additional information that we can access, that can strengthen our thesis?