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The Role of Branding in International Business Development

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Abstract

This thesis explores the significant impact of cultural differences on branding strategies within the context of international business development, focusing on comparisons between Sweden and the United Arab Emirates (UAE). By employing Hofstede's Cultural Dimensions and Keller's Concept of Brand Equity, this research thoroughly examines how cultural variances influence the adaptation of branding strategies to meet the expectations and preferences of local markets. Through a mixed-method approach, combining comprehensive literature reviews and in-depth interviews with executives from companies operating in both countries, this study provides a detailed analysis of the interplay between global branding consistency and local adaptation. The findings reveal that effective international branding requires a sophisticated understanding of local cultures and consumer behavior to align marketing strategies accordingly. Companies must navigate complex cultural landscapes to enhance brand equity and consumer engagement. The thesis highlights several challenges faced by brands, including the risk of diluting a global brand identity through excessive localization and the potential for cultural misinterpretations that can lead to brand damage.

Recommendations are provided for multinational corporations aiming to expand internationally. These include conducting detailed cultural analyses to inform branding strategies, integrating local cultural elements into global brand narratives without compromising the brand's core identity, and adopting flexible marketing strategies that can respond dynamically to local consumer insights. The study not only contributes to academic discussions on international marketing but also offers practical guidelines for businesses seeking to harness the benefits of culturally informed branding strategies. This systematic analysis highlights that proper coordination between global integration and local adaptation is critical in international branding management; it is aimed at providing practitioners and scholars with a more profound understanding of the operational tactics for international branding strategies.

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1. Introduction

1.1 Background

Today's business environment is becoming more and more globally integrated, which has resulted in more companies, including those in the United Arab Emirates, to consider international expansion (Citcon, 2021). To win in the global market, the Integration/Responsiveness (I/R) paradigm can be used to great extent by business organizations. However, global integration and local responsiveness are the two main challenges for multinational corporations as described in this framework view by Prahalad and Doz (1987). They argue that "the concept of global integration aims to achieve maximum efficiency by standardizing strategies and operations across all markets to capitalize on economies of scale" (1987, p. 25), while local responsiveness stresses adapting to the particular culture, laws, and consumer characteristics in each local market. In the context of UAE companies, this framework guides how they can leverage global efficiencies while tailoring their operations to regional specifics within the Middle East and potentially beyond. According to this framework, Internationalization makes it possible for companies to extract new opportunities in foreign markets, and in that way enjoy positive impacts on company operations. Central to this international success is the strategic marketing that allows companies to understand and satisfy the diverse preferences of consumers worldwide, while managing the complexities of the global business environment (Hollensen, 2011).

As a consequence of globalization and the interconnectedness that has followed, companies have transitioned from being limited to the physical location of their consumers to being able to reach consumers despite their geographic location (Zander & Rose, 2015). Entering foreign markets not only poses opportunities, but also challenges. One of the main challenges with internationalization is the cross-cultural risks that arise from operating in a foreign market. These risks often stem from misunderstandings and conflicts that emerge when cultural differences are not sufficiently addressed, highlighting the importance of strategic marketing that incorporates cultural awareness and adaptation in global operations (Hofstede, 1980). According to the I/R approach developed by Prahalad and Doz, to achieve success in a global stage market, companies must be responsive to these cross-cultural risks by strategically aligning their products and marketing with the culture of the target market (Prahalad & Doz, 1987). For UAE-based companies, this means understanding not only the

diverse cultural landscape of the Gulf region but also how these strategies translate when entering markets with distinctly different cultural norms. It is essential, therefore, for marketing strategies to manage cross-cultural risks effectively, aligning their offerings and marketing strategies with the culture of the target market. Cultural, language, norms, and values differ among countries, and to succeed, brands must tailor their offerings and marketing accordingly (Cavusgil et al., 2020). In a nutshell it can be said that to gain competitive edge in the international arena companies have to learn how to handle cross-cultural risks by tailoring their offerings and marketing strategies in a manner that they are in line with the culture of the target market. Culture, language, norms and values are different among countries and to be able to succeed, brands need to tailor their offerings and marketing accordingly (Cavusgil, et al,. 2020).

Operating internationally means continuous navigating and adaptation at the level of a constantly changing interconnected and competitive global economy(Hill & Hult 2015). The I/R framework provides a theoretical lens through which one can view the critical challenge of finding a balance between maintaining a coherent global brand identity while still respecting the cultural nuances of the local markets (Prahalad & Doz, 1987). This balance is not only a strategic choice but a critical factor in a brand's international success or failure. Misinterpretations as a consequence of insufficient knowledge of culture can lead to marketing mistakes, culturally insensitive advertising, or products that don’t appeal to the local markets (Keegan & Green, 2017). While adapting to culture is crucial to ensure relevance and avoid cultural insensitivity, excessive adaptation can weaken the brand identity, hinder operational efficiency and also complicate quality control. A picture of this can be seen in the efforts of global fashion brands that modify their designs to suit local tastes but must ensure that these adaptations do not mix their distinctive brand essence which is recognized worldwide It is essential to define 'culture' as inclusive of culture, and explicitly address how these elements form part of the broader cultural context impacting marketing strategies (Johansson, 2006).

Achieving the right combination of global consistency and local relevance requires a strategic approach, as outlined by Yip in his discussion on global strategy frameworks that address the integration-responsiveness pressures faced by multinational corporations (Yip, 1992). For instance, companies can maintain a strong global brand identity through standardised elements such as logos and core messaging, while allowing flexibility in color schemes,

imagery, and storytelling to resonate with local cultures and preferences (Klein, 2002). The brand identity is highly built around its visual identity, including logos, typography, and colors that facilitate brand recognition. According to Aaker (1996), logos, colors, and other visual elements not only help in brand recognition but can also have varying interpretations across different cultures, necessitating adaptations to suit different markets effectively. Therefore, it is very important for a company to understand the cultural differences between the domestic market and the foreign market when entering the new market (Hofstede, 1991). Additionally, storytelling emerges as a crucial aspect of branding, thanks to its ability to deepen the relationship between the brand and the consumer. Authentic and emotionally resonant stories that align with the consumer's aspirations and cultural context significantly enhance this connection, making storytelling a powerful tool for bridging cultural divides and reinforcing brand identity in a meaningful way and should therefore be prominently featured as a strategic element in global marketing (Kapferer, 2008).

1.2 Problem discussion

One of the significant challenges in brand development dynamics lies in the difference in cultures and customs across different countries. Hofstede's cultural dimensions (Hofstede, G., & Hofstede, G. J. 2005) examines this by discussing the intricate cultural differences among countries in different categories. Doing business internationally poses both challenges and opportunities for brands. A critical aspect of this process is understanding and navigating cultural differences between different markets, which can significantly impact branding strategies and their outcomes. The globalization of markets means that brands must adapt and resonate with diverse consumer bases, each with their own norms and values. Many businesses struggle to effectively adapt their branding strategies to these varied cultural landscapes, which may lead to misunderstandings, diminished brand perception and even failure in new markets. The complexity of cultural differences such as language, values, symbols, and consumer behavior, requires a nuanced approach to branding that may be overlooked in the rush to internationalize to new markets.

Usunier and Lee (2017) research also discussed the complex relationship between culture and branding, and also addressed the impact of these cultural differences on consumer's expectations and the brand's ability to succeed when it enters global markets. The research

also discussed the possible effects of globalization on the brand, as it contributed to expanding companies access to global markets and even contributed to their ability to benefit from diverse opportunities in different markets. It has also intensified the need for brands to adapt to diverse cultural contexts to remain relevant and competitive. On this basis, it clearly comes apparent that cultural adaptation concerns more than just superficial changes, it is an integral part of a successful brand strategy for companies willing to establish firmly their presence in foreign markets. Through usage of cultural understanding in marketing strategies, companies can contribute to development of stronger connections with consumers, enhance the authenticity of the brand, and finally companies could be more successful in their international operations. This thesis will explore how cultural differences shape branding strategies within the UAE specifically. The decision to focus on companies operating between Sweden and the UAE stems from the substantial body of existing research on cultural adaptation and brand positioning in international markets. However, there are significant gaps in the current literature regarding the specific interplay between cultural adaptation and brand perception, particularly in the context of Sweden and the UAE. These gaps highlight the need for a deeper exploration of how cultural differences impact branding strategies and outcomes in these distinct markets. Additionally, comparing the UAE market to the Swedish market is particularly intriguing due to the significant cultural distance between the two. Current research does not sufficiently address how brands can strategically manage this cultural distance to maintain and enhance brand perception and loyalty, pointing to a clear theoretical gap that this study aims to fill. By examining these differences, this research aims to provide deeper insights into the strategies that can help brands effectively navigate and thrive in culturally diverse markets. By focusing on the less explored aspects of cultural dynamics, such as the impact of cultural intelligence on brand loyalty and the role of local consumer values in shaping brand narratives, this study aims to contribute new insights to the field of international business. Therefore, this study seeks to contribute new insights to the field of international business by exploring under-researched aspects of cultural dynamics, such as the influence of cultural intelligence on brand loyalty and the significance of local consumer values in shaping brand narratives.

This thesis seeks to explore the important role of cultural differences when shaping branding strategies, identifying both the challenges and strategies for successful cultural adaptation and brand positioning in foreign markets. This will provide us with an opportunity to study the difficulties that emerge for businesses in the process of riding with multicultural dimensions

and identify measures of optimal cultural adaptation and competitiveness. Through the investigation of the complex connection between culture and branding, we propose providing practical nuances needed to deepen the ability to understand how cultural effects shape brand perception and consumption patterns in UAE´s markets.

1.3 Purpose

This research aims to explore the influence of culture differences on branding strategies for companies operating in Sweden as well as the United Arab Emirates. By focusing on how companies operating in both countries adapt to local cultural nuances and tailor their offerings and strategies accordingly, the study seeks to provide insights that could inform branding strategies in similarly diverse markets. While the findings are primarily grounded in the context of the UAE and Sweden, they offer a framework for how companies can adapt their strategies when operating internationally to be able to reach their target group. This requires a thoughtful approach to branding that considers language, values, and symbols, allowing brands to forge stronger relationships with diverse consumer bases and craft more authentic brand images. The goal of this study is to delve deeper into the strategies and challenges associated with cultural adaptation in branding. We will investigate the tactics for effectively positioning a brand in foreign markets, highlighting potential obstacles and solutions. We hypothesize that for a brand to succeed in new markets, its adaptation process must be gradual and seamlessly integrated into the local cultural fabric. This hypothesis will be examined through case studies and analysis of brands that have successfully entered diverse markets, as well as those that have faced challenges.

1.4 Research question

- *How do companies operating in both Sweden and the United Arab Emirates use branding strategies to manage cultural differences between the two markets?*

2. Theoretical framework

2.1 Introduction to Theoretical Framework

This section provides a detailed overview of the various theoretical foundations that our analysis of trademarks addresses, and their role in developing international business for companies in the United Arab Emirates. It covers Hofstede's Cultural Dimensions, which investigate the effect of national cultures on consumer behavior and introduces the preliminary concept of branding strategies as essential for understanding cultural differences in perception of brand and market entrance. Keller's brand management competencies come into focus, highlighting brand equity being protected across different cultural environments and emphasizing the necessity of a consistent brand identity. However, Hollensen's global marketing strategies provide a broader view of strategic market navigation while Kapferer's brand identity framework seeks to build identities that are sustainable and respected in all cultures. These models lay the groundwork for a deeper exploration of branding, detecting new relationships that cultures, brands, and international business have with each other. They illustrate how marketing and branding strategies adapt by incorporating cultural differences and consumer needs, especially within the dynamic and diverse market of the UAE.

2.2 The Concept of Culture

Before diving into specific cultural dimensions, it is essential to establish a foundational understanding of 'culture' itself. Culture encompasses the set of shared attitudes, values, goals, and practices that characterizes an institution, organization, or group. It represents the collective programming of the mind which distinguishes the members of one group or category of people from others (Hofstede, 1980). Culture shapes our perceptions, behaviors, and interactions, influencing everything from communication styles to decision-making processes. In the context of international business, understanding culture is crucial as it affects how brands are perceived and how they should operate in different markets. Culture influences consumer behavior, brand loyalty, and even the overall success of marketing strategies. Therefore, a thorough comprehension of cultural principles is fundamental to effective international brand management.

2.2.1 Cultural Dimensions in International Brand Management

Nowadays, in the global marketplace which is more and more interconnected, cultural dimensions play the most vital function in shaping organizational behavior and cross-culture management. This subsection considers the use of Hofstede's Cultural Dimensions Paradigm and understanding Cultural Diversity in Branding. with a specific focus on how these apply within the UAE context.

2.2.2 Application of Hofstede's Cultural Dimensions Framework

Hofstede's cultural dimensions, developed by Greet Hofstede, is one structured way of viewing the differences between cultures in different countries (Hofstede, 1980). The framework identifies five dimensions along which cultures vary: individualism-collectivism, power distance, uncertainty avoidance, masculinity-femininity and long-term orientation. These criteria serve as the analytical framework for evaluating cultural values, agreements, and patterns, which facilitate the determination of cultural values that shape societies (Hofstede, 1980). While Hofstede's framework was primarily aimed at understanding cultural variances, its suggestion for international business practices, particularly in branding and marketing, have been extensively explored by subsequent researchers and practitioners (Hofstede, 1980). It is important to note that Hofstede's original work does not prescribe specific marketing strategies. Instead, it offers insights that marketers and business strategists have used to tailor their approaches to different cultural contexts. Applying Hofstede's framework within the UAE allows companies to customize the key aspects of their marketing campaigns, product offerings, and brand messages to match consumers' cultural preferences in the Emirates and ultimately make the brand more relevant and attractive domestically (Hofstede, 1980).

The choice to focus on Power Distance is driven by its significant implications in hierarchical and authority structures within business practices, crucial for branding strategies in markets characterized by high power distance, such as The United Arab Emirates. This dimension influences how brands communicate authority and expertise, crucial elements in brand positioning. Conversely, the Long vs Short Term Orientation dimension is less emphasized

but equally important. This dimension reflects the society's time horizon and attitude towards future challenges and present conditions. Understanding this orientation is vital for brands aiming to align their strategic focus either towards sustainability and long-term growth or immediate results and quick wins (Hofstede & Minkov, 2010). For example, power distance, as identified by Hofstede, plays a significant role for brands entering global markets. As depicted in Figure 1, societies with high power distance, which includes many Asian countries, demand strong respect for authority and substantial hierarchical structures. Some brands that work in such markets may have to change their style of communication and implement messages into their marketing consistent with cultural norms. Stressing the ideas of power, precedent, and respect for seniority in branding ventures may create a more productive response among the consumers in such circumstances (Hofstede & Minkov, 2010). On the other hand, power distance is much lower in countries with Western origins where individual strength and egalitarian values are more emphasized. Companies aiming to profit in these markets may use messages of being inclusive, equal, and personal autonomy as the major points of their branding strategy. By understanding and catering to these cultural nuances, brands can establish connections with consumers based on shared values and aspirations (Hofstede & Minkov, 2010).

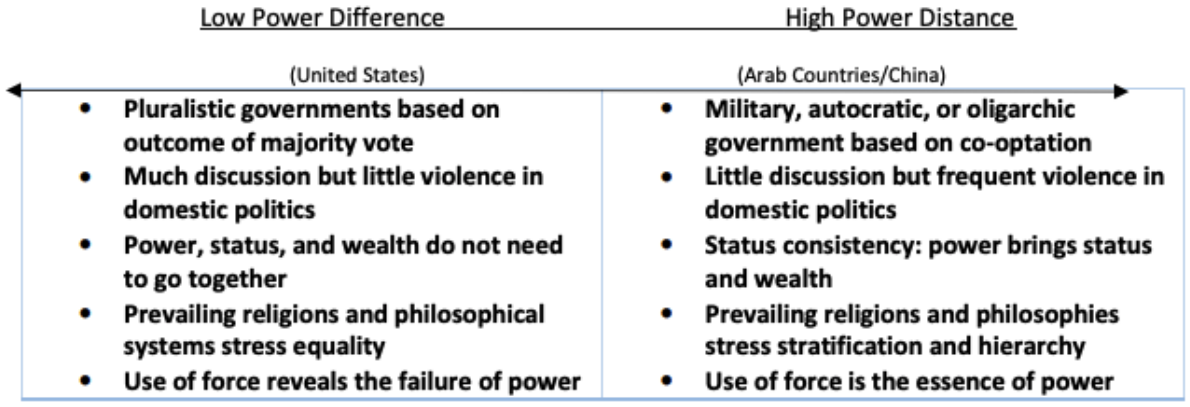

Fig. 1: (Hofstede, Hofstede, & Minkov, 2010, p. 116)

The international brand expansion challenge is often about the "Long-Term Orientation vs. Short-Term Normative Orientation" dimension. Brands targeting the long-term oriented culture need to focus their messaging on future benefits, innovation, and sustainable practices that align with the values of persistence and planning the future. On the other side, for the markets that focus on short-term orientation, brands need to focus on such concepts as tradition, immediate benefits, and present want. Branding strategies are being modified to accommodate these cultural tastes; this helps to create a deeper connection with the diverse

consumer groups and hence lead to greater global brand acceptance and loyalty (Hofstede´s, 1980).

2.2.3 Understanding Cultural Diversity in Branding

In today's globalized marketplace, companies must deal with the complex challenges posed by this context. Here we delve deeper into the theoretical aspects of branding in diverse cultural settings, tackling a broad set of dimensions such as the language, habits, traditions, spirituality and ways of living which have incredibly big differentiations in various regions and among people with different socioeconomic status. Geert Hofstede's seminal work on cultural dimensions provides a framework for understanding these variations and their impact on consumer behavior (Hofstede, 1980). Achieving this diversity will therefore require brands to restructure their approaches to branding and adopt deep cultural understandings in appreciating its many natural and diverse implications.

Hofstede´s analysis of cultural dimensions offers valuable insights for global businesses in navigating culture diversity (Hofstede, 1980). It highlights the importance of understanding language, symbols, and behavior and even comedy in different cultures. It may be extremely different between cultures, and people might not understand each other properly and say something that is insensitive without intending to do so. Furthermore, this calls for an adaptable strategy with regards to product positioning, messaging, and brand experience that customise to the consumer's varied preferences and behaviours. However, even with these challenges, there are many chances for brands to do well. Diversity of markets is attributed to the ability of brands to expand their outreach and penetrate emerging consumer groups. It is through embracing cultural diversity that this relationship between the brands and consumers can develop and deepen which is followed by the increasing brand loyalty and long-term engagement. Not only this, but multicultural environments support creativity and innovation by encouraging people to come up with new ideas and perspectives that are the result of cross-cultural exchanges (Hofstede, 1980).

Cultural sensitivity, a concept underscored by Hofstede's research, is crucial in crafting successful branding strategies that resonate with audiences of diverse ethnic backgrounds. It involves a deep understanding and true appreciation of the cultural norms, values, and sensitivities of potential markets (Hofstede, 1980). The brands need to show the awareness of

cultural differences in their communication, product offerings, and overall brand experience. This implies changing the language, symbolism, pictures, and messaging to suit local culture and taste. They can also make brands seem reliable and honest to consumers, establishing themselves as brands with respect and equality. Additionally, culturally sensitive branding avoids the risks of cultural mistakes that may damage brand images or push away customers. In summary, diversity sensitivity helps to create strong bonds with the consumers, continued brand loyalty, and ongoing business growth in the different cultural contexts. Through putting culture emphasis and designing custom strategies for multicultural markets, brands can have a winning formula to deal with cultural diversity, create real brand experience, and build lifelong relationships with customers across the globe (Hofstede, 1980).

2.3 Brand Management Perspective in Global Markets

To understand brand management, it is essential to first define what a brand is. A brand represents a distinctive identity that encapsulates the essence of a product or service, perceived by customers as a coherent whole (Aaker, 1991). Brand management, therefore, involves the strategic analysis and planning on how that brand is perceived in the market. From a marketing perspective, this involves considering how consumers recognize and feel about the brand (Keller, 1993, pp. 1-22). From a strategic business perspective, it involves aligning the brand's identity with business objectives and market opportunities (Kapferer, 2012). Developing a strong brand management strategy ensures that the core identity of the brand is maintained while adapting to changes in consumer behaviors and market conditions (Hollensen, 2017).

Building on this foundation, flexibility is crucial in developing robust strategies for building a strong and well-recognized global brand. However, it is essential to ensure that this flexibility does not compromise the brand's fundamental identity. Include flexibility without losing identity can be viewed through several lenses: operationally, ensuring that changes are scalable and sustainable; and culturally, ensuring that changes resonate across diverse consumer demographics (De Mooij, 2010). For instance, UAE-based companies must balance universal branding elements with local cultural nuances to ensure their brands resonate effectively with both local and global audiences. Balancing the brand's core mission with adaptability is necessary to navigate the complexities of global markets effectively. This balance is particularly pertinent in the UAE, where businesses must cater to a highly diverse

expatriate population while maintaining the cultural values and preferences of the local Emirati population (NN Road, n.d.).

2.3.1 Keller's Concept of Brand Equity in International Markets

Revealing Kevin Lane Keller's CBBE "Customer-Based Brand Equity" model provides an in-depth understanding of not only the dynamics of the international market but also providing the necessary resources and tools to strategize effectively (keller, 2003). The process emphasizes the step-by-step procedures needed to build an identifiable brand that connects globally without losing the capability of being adapted to local changes. Cultural diversity which is the integral element of the global market affects Keller's CBBE model in four fundamental concepts creating Perceived quality, Brand associations, Brand awareness and Brand loyalty (keller, 2003). Keller`s model works really well for brands that are trying to effective their core identity and to see how they can effectively run their business across different markets even if there are cultural differences. In this regard, the emphasis is put on the international integration and the local adaptation because such a perspective seems to be key for the purpose of the interrelationship between international brand equity and the dimensions of it (Kapferer, 2012; Keller, 2003).

2.3.1.1 Brand awareness

The central principle of balancing global consistency and local culture integration begins with brand awareness. When a brand wants to connect with a customer at a global level as well as a local level, it must be meant to be easily recognizable and familiar to consumers all around the world (Hollensen, 2017). The task entails adaptation of communication strategies to fit all the languages and cultural nuances of different regions while still maintaining the whole world's uniform brand image. The problem is in creating messages which are common but expressive for multiple markets at the same time making sure that the brand is always felt and exists in various places (keller, 2013).

2.3.1.2 Perceived Quality

Cultural values and expectations are one of the most significant factors that can shape the opinion about quality (De Mooij, 2010). Although a global brand must have universal standards, the most effective ones are the ones customised to the local taste and quality indicators. Therefore, luxury or reliability definitions may be very different from one culture

to another. This balance occurs when a global brand tailors the features of its product to local consumer expectations without giving up the global brand's universal promise of quality (keller, 2013).

2.3.1.3 Brand Associations

The relationship customers build with a brand is neither created or communicated in the way the company wants it, but an outcome of the brand's communication, experiences and the cultural context (Aaker, 1991). Branding should create favorable meanings that relate to local cultural practices and principles while maintaining the image of the brand the world over. This may involve using local symbols, stories, and marketing campaigns to portray local stories and values which are meant to deepen the meaning of the global brand narrative as flavors of countries are added into it (keller, 2013). For example, notice that the features and marketing of Apple's innovation products play roles to develop a brand image that is filled with different associations such as "elegant" and "cutting edge" technologies that are customized for each consumer group. Likewise, McDonald's and Volvo do great jobs to create the associations like "quality service, and value" and "safety" respectively, showing the power of conditional brand associations to create unique brand image (keller, 2013, pp.72-73).

2.3.1.4 Brand loyalty

Building brand loyalty on international markets means considering the differences of consumer cultures and reflecting them (Hofstede, 1980). Obviously, loyalty is a result of trust, and trust is created by a brand's capability to show empathy and respect for local traditions. For instance, a marketing strategy which contains global brand promises and local experience and interaction will strengthen loyalty. Brands, which are able to link local cultural elements with their global strategy in a way that also maintains their original identity, achieve a strong, more resilient kind of consumer loyalty among diversified target groups (keller, 2013).

2.3.2 Global Brand Consistency vs. Local Adaptation in Branding

The struggle among international brands about preserving one consistency worldwide or introducing regional adaption marks the strategic choice for doing business on the international arena. This balance becomes useful rather than luxury for growing and maturing

brand recognition at global scale and at the same time being relevant to the communities where it operates. Global consistency which has been indicated by Keller (2013) turns a brand strong by keeping its image and message across all markets unchanged and adding to robust and cohesive brand reputation. Moreover, it helps make the primary values of the brand and its overall story to be perceived in the same way among the different consumers wherever they are. Subsequently, it builds familiarity, trust and recognition. In the meantime, the requirement for the localized adaptation assists to understand the necessity of the brand presentation strategies adapted to the cultural, social and consumer specifics of every market. According to Hollensen (2017), adapting local preferences not only becomes important in making the brand more attractive in different markets but also proves helpful in showing respect and understanding for the beliefs, traditions, and values of the local consumer thereby, resulting in enhanced consumer engagement and loyalty.

International branding which is the most effective requires finding a balance between these fundamental parts. The strategy is aimed at building on the brand's basic values and global attraction, while matching the local ones which particularly hit the target markets. However, Keller (2013) argues that the challenge for the global marketers is getting the balance right where the message is not changed or is weakened. Some strategies of reaching this balance are having both global campaigns and space for local flexibility in terms of the message, visual materials, and product range. As Hollensen (2017) noted, local knowledge and insights are a valuable strategic tool for shaping product development, marketing strategies, and customer interaction that reflect and adapt to local cultures and consumption trends.

2.4 Navigating Global Brand Consistency and Local Cultural Integration

Applying the ideas of Jean-Noël Kapferer in a context of discussion of international branding strategy provides an outline for brands which pursue maintaining global consistency and local cultural adaptation Concurrently. The term 'navigating' in this context refers to the process of strategically guiding brand management decisions to balance universal brand identity with local cultural nuances effectively. Kapferer’s Brand Identity Prism, detailed in "The New Strategic Brand Management: The worldly model of brand equity “Creating and sustaining brand equity long-term” (Kapferer, 2012) serves as a basis of the perception of a brand components. This strategy is imperative for all efforts to maintain the brand identity in line

with the cultural diversity and thus make research missions skilled. The prism has a brand culture feature which underscores the need to adopt a value-based brand and include this in the global strategy as well as specific local market adaptations such as the ones mentioned by Kapferer (2012).

Strategic adaptation based on Kapferer's Brand Identity Prism (often referred to informally as 'Kapferer's map' in academic discussions) should surround the adjustments of brand messaging and outreach channels in line with cultural norms of different areas (Kapferer, 2012). Perhaps they indicate creating a distinction in terms of a brand's image for certain markets or strengthening certain attributes that appeal more to local groups. At the same time, the need for adapting in order to be more relevant and ensure this is done without compromising the global identity of the brand is also stressed (Kapferer, 2012). Finally, communication and relationship-building strategies have to be aligned towards the media. We can see the combination of maintaining a consistent brand identity with the adoption of a locally meaningful communication strategy in this case. Figure 2 illustrates the various facets of Kapferer's Brand Identity Prism, including the external aspects like Physique and Relationship, and internal dimensions such as Personality and Culture, which are crucial for effective global brand management (Chen, J., 2023). Through careful handling of each aspect of the brand identity and taking into consideration cultural influences, brands can achieve the balance important to international success, making them both extraordinary as well as relevant.

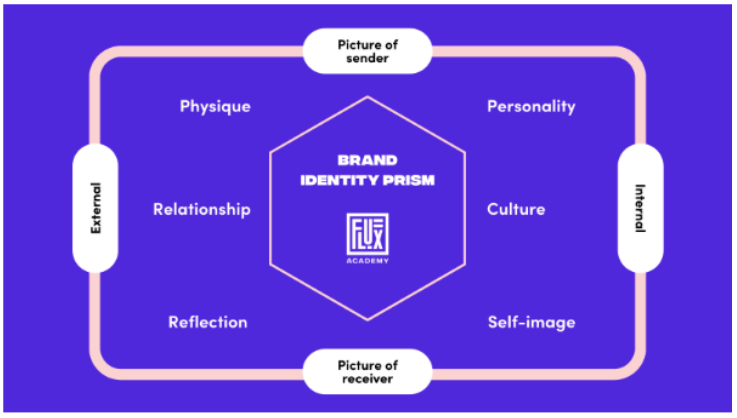

Fig. 2: Kapferer's Brand identity Prism (Chen, J., 2023)

2.5 Synthesizing Global Brand Strategy and Cultural Insights

The theoretical part has explained in detail the international branding discipline, especially the linkage between cultural diversity and brand management in foreign markets. This synthesis draws upon key frameworks including Hofstede's Cultural Dimensions for understanding cultural variance (Hofstede, 1980), Keller's Brand Equity model for gauging brand value (Keller, 1993), Hollensen's insights on global marketing strategies (Hollensen, 2007), and Kapferer's Brand Identity Prism for brand identity considerations (Kapferer, 2012). It also has provided a holistic basis for understanding how subtle branding strategies could address cultural anomalies, without compromising the corporate global presence. In that analysis, the key factor comes into sight: the equilibrium between global consistency and local adjustment. We explicitly integrate these theoretical insights to delineate a balanced approach where global branding must not only recognize but also adapt to cultural specifics without losing the brand's overarching identity. This balance is not merely a strategic option but a fundamental necessity in today's globalized marketplace. Cultural attributes play a crucial role in shaping the consumers' opinions and practically affecting the likelihood of brand success. All of these theories illustrate that a brand's ability to relate to various cultures will determine how successful it will be. Yet, it at the same time must retain its inner identity in order to remain worldly recognizable and united. Moreover, incorporating Hollensen's strategies with Hofstede's dimensions offers a dynamic framework where brands can navigate global markets while respecting local nuances.

Besides, when brands want to compete in global markets, they should build strategies which are not only influenced by cultural diversity, but also aligned with the company's business vision. This strategic alignment is derived from Keller's model of brand equity, emphasizing the importance of brand perception and value across diverse markets (Keller, 1993). This is achieved on the account of thorough knowledge of the world trends together with local peculiarities which in turn enable strategic flexibility to take place without disregarding the brand identity. We also discovered that these theoretical frameworks reveal that successful international branding not only has the awareness but has total acceptance to the diversity of global consumer simulacra. It cleverly employs cultural variance as an important factor in its brand strategy. The connection between the consumers and the brand is strengthened by this procedure which ensures that the brand is more relevant and has a better impact in different parts of the world. In conclusion, achieving a successful international brand demands the

integration of cultural intelligence into comprehensive branding strategies. This integration ensures that the brand remains consistent globally while being effectively tailored to local markets. Mixing a worldwide brand style with local culture is set to shape the future of branding. In a world that's closely connected, the skill to adjust and connect with local cultures will set apart the top companies of the future. This highlights how important it is to consider local cultures carefully in global branding.

3. Methodology

3.1 Research Approach

The writing process began with the selection of relevant theories, followed by the collection of empirical material. We then analyzed this material from the perspectives of the various theories. This approach allowed us to frame our interview questions in a way that would result in responses that were possible to link to our chosen theories. The theories were chosen based on our research question, as we believed they would provide a solid foundation for a thorough analysis. We started with established theories on cultural differences and branding strategies and applied these theories to our empirical material collected through interviews, testing their validity in these specific contexts (Patel & Davidson, 2019).

This approach allowed an effective analysis of how cultural differences within the United Arab Emirates influence branding strategies. While initially intended to focus on an international level, the focus was refined to the UAE due to the absence of previous research and also the data available. This adjustment ensures a more precise examination of the UAE context, though implications for broader international applications are considered in the discussion.

As the thesis progressed, the chosen approach allowed for detailed exploration and iterative adjustments to both the theoretical framework and empirical data collection strategies. To address emerging themes and integrate additional theoretical insights, we conducted supplementary interviews with our selected companies. This allowed us to achieve a greater depth of understanding and ensured our research remained comprehensive and reflective of the evolving nature of the subject matter. For instance, as initial interviews revealed new themes related to organizational behavior, it was needed to delve deeper into these areas. We

also expanded our interview sample to include key employees from different departments within the companies. This not only enriched our empirical material, but also provided a more holistic view of the organizational dynamics.

3.2 Literature review

To explore the complexities of entering a foreign market that significantly differs culturally from the domestic market, this thesis integrated theoretical analysis with empirical material gathered through interviews. The combination of these methods provided a comprehensive understanding of the strategies and challenges faced by companies in such scenarios. The initial phase involved an extensive review of existing literature on international market entry strategies, branding and cultural dimensions. Previous research in the field and theories that for instance covers cultural dimensions were examined to establish a theoretical foundation. This analysis helped identify key themes and factors that influence the success of entering culturally different markets.

3.3 Empirical data collection

Empirical data were collected through semi-structured interviews to gain real-world insights and practical examples of the challenges and strategies discussed in the literature. The interviews allowed for guided questions and open-ended responses to facilitate deep discussions of experiences and strategies. Two companies, each with recent experience in entering, or planning to enter, markets culturally different from their own were selected through purposive sampling. The interviews were conducted via video conferencing due to geographical and logistical constraints, each lasting approximately one hour, and were recorded with the consent of the participants to ensure accurate transcription and analysis.

This study utilized purposive sampling to select participants, which is a method suitable for qualitative research focused on gaining in-depth understanding from specific cases. This sampling technique was chosen to identify and select companies that had directly experienced the process of entering foreign markets that are culturally distinct from their domestic markets. The primary criterion for selecting companies was their recent experience in entering, or planning to enter, a foreign market with significant cultural differences from their own which ensures the relevance to the research questions.

Company A was chosen as they have recent experience of entering Sweden when originally operating in Dubai. The inclusion of Company B, which is in the process of internationalizing and entering the Dubai market, is also relevant to this thesis for several reasons. Firstly, Company B's preparations and strategies provide a unique perspective on how companies anticipate and plan for cultural differences, offering valuable insights into the considerations and adjustments made before market entry. This allows for a comparative analysis between theoretical strategies and the actual experiences of an already internationalized company, highlighting gaps between planning and execution. Including Company B also provides an opportunity to explore the decision-making processes and criteria for market entry, highlighting the factors influencing internationalization decisions, particularly in culturally distinct markets like Sweden and the UAE.

The decision to focus on the UA and Sweden was influenced by two key factors: the limited number of previous studies on this topic and our direct contact with companies that had recently entered, or were planning to enter, the United Arab Emirates or Sweden. Additionally, choosing a country with significant cultural differences from Sweden adds an interesting dimension to the thesis, making the subject matter more engaging. To capture different perspectives and reduce industry-specific bias, companies from different sectors were selected. This variety helps in understanding if and how industry characteristics influence how the company is affected by cultural differences.

We interviewed each company two times, the first interview was more focused on overall information about the companies, and the second interview more in depth. The second interview with the companies was needed to make the analysis more thorough. The interviews were conducted using a semi-structured approach.. This allowed us to ensure consistency across interviews while also giving them the flexibility to explore unique aspects of each company's experience. The first interview conducted with each company lasted 1 hour and was with the companies' CEOs. The second interview was conducted with the marketing manager of each company to gain additional perspectives from other parts of the organization. These interviews were shorter, lasting 45 minutes with Company A and 30 minutes with Company B.

The role of theory in this process was significant, as it provided a framework for developing the interview guide and identifying key themes to explore during the conversations. Each

interview began with a set of standardized questions to maintain a certain degree of structure, but interviewers were encouraged to follow up with additional questions based on the responses provided. This approach ensured that while all interviews covered the same core topics, they also allowed for exploration of specific issues relevant to each participant's unique context. Despite the structured elements, the interviews varied to some extent based on the individual experiences and insights of each participant. This variation was necessary to capture the diverse ways in which different companies navigate cultural differences when entering new markets.

3.4 Analysis Process

The analysis of the empirical material involved a thorough examination of the qualitative data from the interviews. Our aim was to understand how cultural differences impact branding strategies and their implementation in the UAE and Sweden markets. We began by transcribing the interviews and then reading the transcripts multiple times to ensure we fully understood the responses. We then carefully highlighted key phrases and statements related to how companies adapt to different cultures while maintaining brand consistency.

To interpret the empirical material in an organized way and support our findings with established research, we integrated relevant theories into our analysis. These theories were chosen not only for their relevance to understanding cultural adaptation and branding strategies but also to guide the structure of our interviews. Before conducting the interviews, we selected theories that would serve as a foundation for our interview questions. For example, theories on cultural dimensions helped us formulate questions that would reveal how cultural traits influence business practices and communication strategies in different cultures. For instance, Hofstede's cultural dimensions theory, provided a framework for understanding how differences in power distance, individualism versus collectivism, and uncertainty avoidance might affect branding and marketing approaches (Hofstede, 1980).

For example, theories on cultural dimensions helped us understand how cultural traits influence business practices and communication strategies in different cultures. Hofstede's cultural dimensions theory, for instance, provided insights into how differences in power distance, individualism versus collectivism, and uncertainty avoidance affect branding and marketing approaches. Similarly, branding theories, for instance those from Keller (2019),

helped us understand how companies maintain global brand consistency while making necessary local adjustments.

By using these theoretical frameworks, we ensured that our analysis was structured and grounded in established research. This approach allowed us to analyze the relationship between cultural differences and branding strategies.

3.5 Ethics and Quality Considerations

Ethics are crucial in ensuring the research is conducted responsibly, especially as we deal with sensitive information about business strategies and cultural insights. All participants were fully informed of the thesis goals and the intended use of the findings before the interviews. Informed consent was obtained and confidentiality was ensured by anonymizing the data and limiting access. As this is a bachelor's thesis and the empirical and theoretical material collected is limited, the quality is not as high as more advanced academic research, and our results might be limited to the scope of our thesis.

3.6 Advantages and Limitations of the Chosen Methodology

The qualitative interviews provided deep insights into how companies think about and implement strategies in culturally diverse environments. This approach allowed for a nuanced understanding of complex issues like cultural adaptation, which might be overlooked by more numerical methods. However, the reliance on a small number of interviews may not capture the full range of strategies used across the industry or fully reveal the cultural subtleties that affect branding strategies worldwide. Adding theoretical analysis helps connect real world observations that we gained from the interviews, with established academic ideas, strengthening the thesis findings. The selection of theories has inevitably influenced the outcomes presented in this thesis. If different theoretical frameworks had been chosen it is likely that the conclusions would have been different. The process of selecting specific theories inherently narrows the focus of the thesis, thereby shaping it. Lastly, the results are specific to the contexts studied and may not be generalizable to all international markets or industries.

4. Empirical data

4.1 Company A

4.1.1 Company profile

Company A specializes in the design, manufacturing, and sale of high quality bathroom furniture and fixtures. Their product range includes faucets, toilets, bathtubs, and vanities. Company A is a medium sized enterprise with 250 employees in total. The company generates an annual revenue of approximately $70 million, with a steady growth rate driven by expanding its product lines and entering new markets. The company has several branches, including major distribution centers and showrooms in key markets.

4.1.2 Adapting Branding and Operations

Company A has strategically positioned itself by emphasizing minimalist and functional designs that meet the local preferences in Sweden, which favor simplicity and practical utility in product aesthetics. This alignment with the Swedish ethos of "less is more" ensures that the product offerings resonate well with the target audience. In addition to product design, Company A has adapted its marketing strategy to cater to the tendency of making purchasing decisions online, which according to the company is a common behavior of Swedish consumers. Therefore the company has enhanced its online presence, optimizing its website and online marketing strategies to suit the local market’s preference for online shopping. This shift not only reflects an adaptation to the purchasing preferences but also aids in building brand recognition and trust among Swedish consumers. Conversely, in the Emirates where there is a strong preference for luxury designs, Company A has introduced products featuring golden accents and bold aesthetics. These products align with the local culture’s liking of luxury and status symbols, making them particularly appealing to Emirati consumers. Acknowledging the preference for personal interaction and hands-on product evaluation in the Emirates, Company A sustains a strong physical presence through showrooms. This approach enables customers to personally interact with and inspect products, which is a preference amongst the customers located in the Emirates.

4.1.3 Challenges and Solutions

Company A faced significant hurdles in gaining the trust of local consumers when it entered the Swedish market. Being relatively unknown compared to well-established competitors posed a substantial challenge. The initial sales and marketing strategies, successful in the Emirates, did not resonate with Swedish consumers, resulting in product overstock and a lack of collaboration from local companies and exhibitions.

Company A successfully launched a campaign in UAE featuring high-end bathroom fixtures with golden designs, which aligned well with the local market's taste for luxury. However, when they tried a similar approach in Sweden, it did not resonate with the local consumers who preferred minimalist designs. To adapt, they shifted our focus to promoting products that emphasize sleek lines and more practical features, which are more appreciated in the Swedish market. This adaptation was crucial in making the brand relevant and appealing in both regions.

Company A also employed a strategic shift by hiring a local Swedish team. This team brought essential insights into local preferences, expectations, and business practices, critical for tailoring the company's approach to better align with the local market. Having a native team facilitated more straightforward and effective communication with customers, engaging them in their language and in culturally familiar ways. This aspect is very crucial for building trust with the consumers in the foreign market. Company A updated their website and adjusted their product lines to align more closely with the minimalist and functional preferences in Sweden.

4.1.4 Consumer Research and Market Analysis

Company A employed a multifaceted approach to market analysis and consumer research in Sweden to ensure a deep understanding of the local market dynamics. Before launching their products, they conducted thorough market data analysis, studying economic trends and existing market conditions. This research helped identify potential customer segments and provided a broad understanding of the market environment. Following the initial analysis, Company A distributed surveys and questionnaires to potential customers within the target market. These tools were designed to gather quantitative data on consumer preferences,

buying habits, and product feedback. This direct feedback was important for understanding what local competitors offered and helped Company A test their products and identify any market gaps. For example, their research in Sweden highlighted the importance of online shopping and eco-friendliness, leading them to enhance their website's functionality and promote their water-efficient products. In the UAE, research underscored the value of luxurious showrooms and personal interactions, prompting us to invest in high-end display spaces and personalized customer service. The insights gained from this research informed their marketing strategies and helped identify successful industry practices in the region. This comprehensive understanding allowed Company A to tailor their products and marketing efforts to resonate more effectively with the Swedish market, ultimately facilitating better market penetration and customer engagement.

4.1.5 Reflections from Sweden

One of the significant insights from Company A's venture into the Swedish market was the crucial role of local market understanding. Initially, the company faced substantial challenges due to the application of sales and marketing strategies that were successful in the Emirates but did not resonate in Sweden. This misalignment led to product overstock and a lack of local partnerships, which significantly hampered their market penetration efforts. From these challenges, Company A learned the importance of local adaptation. They responded by hiring a local team, which was instrumental in gaining an authentic understanding of the local market dynamics. This team's insights into Swedish consumer preferences and business practices enabled Company A to tailor their product offerings and marketing strategies effectively. This strategic shift not only helped in overcoming initial setbacks but also played a pivotal role in establishing the brand in the Swedish market. Company A's experience underscores the necessity of flexibility and the ability to quickly adapt to local consumer behaviors and market conditions.

4.2 Company B

4.2.1 Company profile

Company B offers comprehensive digital marketing services and technology solutions, including website design, SEO, social media management, and mobile application development. They help small and medium-sized businesses enhance their online presence and digital strategies and are currently collaborating with four diverse companies across Sweden. Company B is a small sized enterprise with around 80 employees. The firm operates out of its headquarters in Stockholm, with plans to open a new office in Dubai due to its thriving entrepreneurial environment and the global attention it attracts. Additionally the knowledge of the Arabic language and their personal cultural background make the United Arab Emirates an ideal location for their expansion. The company reports an annual revenue of approximately $10 million, with ambitions to double this figure within the next five years through international expansion and service diversification.

4.2.2 Adapting Branding and Operations

Company B has an approach of entering the United Arab Emirates market involving significant branding adaptations. The company introduced bilingual branding in Arabic and English, accommodating the linguistic preferences of the United Arab Emirates market and demonstrating respect for the local culture. Additionally, the branding incorporates local aesthetics to strengthen resonance with Emirati consumers. Beyond linguistic and visual adaptations, Company B developed a tiered service model to cater to the varying levels of digital maturity among businesses in the United Arab Emirates. This model enables businesses to select services that match their current digital capabilities, facilitating a gradual upgrade to more sophisticated digital solutions.

The company has also prioritized mobile optimization in their product development to cater to the high usage of mobile devices in the United Arab Emirates. Ensuring that all digital marketing and website services are accessible and functional on mobile platforms aligns with the prevalent use of smartphones and tablets among the local population. To engage with the cultural emphasis on community and personal relationships in the United Arab Emirates,

Company B plans to integrate both online and offline marketing strategies. This includes participation in local trade shows and community events, which not only aids in brand promotion but also helps build trust and personal connections with potential clients.

To maintain their global brand identity while adapting to the Dubai market, the company will focus on balancing universal brand values with local relevance. The core values; innovation, customer-centricity, and quality, will remain consistent globally, supported by uniform logos, messaging, and brand narratives. Locally, we will tailor our marketing and product features to fit Emirati preferences, including using the Arabic language and incorporating culturally relevant designs.

4.2.3 Challenges and Solutions

Company B anticipated multiple challenges as it prepared to enter the United Arab Emirates market. These challenges included navigating the local legal framework, building brand recognition, adapting marketing strategies to local preferences, and competing against established firms. The business practices and consumer behaviors in the United Arab Emirates were markedly different from those in Sweden, adding layers of complexity to their market entry strategy. To navigate these challenges, Company B developed a comprehensive strategy that involved collaboration with local legal experts to ensure compliance with United Arab Emirates´s stringent business laws and regulations. Recognizing the importance of personal relationships in business practices in the Emirates, Company B also prioritized establishing a local team composed of marketing experts, business analysts, and customer service representatives who were either native to the United Arab Emirates or possessed extensive regional experience. This local presence was aimed at fostering personal connections and building trust within the business community. Company B also undertook detailed market research to understand consumer behaviors and refine their marketing strategies accordingly. This research enabled them to customize their technology solutions and customer service to meet the specific demands of the United Arab Emirates market. By focusing on their innovative technology solutions and personalized service, Company B aimed to differentiate itself from competitors and integrate seamlessly into the United Arab Emirates market.

4.2.4 Consumer Research and Market Analysis

Company B prepares to enter the United Arab Emirates market and to do that successfully they undertake detailed research focused on understanding the specific needs and behaviors of local consumers. Their research began with an analysis of the frequency of new company launches and the nascent state of digital marketing within the United Arab Emirates. This study revealed that labor, particularly in digital marketing and programming, was relatively affordable, and many small to medium businesses had not fully embraced website design and digital marketing, presenting significant opportunities.Their market study also uncovered distinct cultural differences in internet usage and marketing preferences compared to the European market. Their research also revealed that small and medium businesses in UAE are less focused on website quality compared to those in Sweden, where high-quality websites are fundamental. For instance, it was noted that small companies in the Gulf region placed less emphasis on website quality which contrasted sharply with European norms where a high-quality website is fundamental for business success. In anticipation of these unique market needs, Company B planned to introduce a tiered service model that would allow businesses to select services based on their level of digital maturity. This adaptive service approach was designed to cater to the diverse needs of local businesses at various stages of digital adoption. By preparing such targeted strategies before market entry, Company B aimed to ensure a smooth transition into the United Arab Emirates market.

4.2.5 Preparatory Insights for United Arab Emirates

Although Company B has not yet entered the United Arab Emirates market, their preparatory work has already provided important strategic insights. Their detailed market analysis highlighted the need for a flexible service model to cater to the varying levels of digital maturity among businesses in the United Arab Emirates. The company will also focus on building personal relationships through a local team, which is crucial in the Emirates, where face-to-face interactions are highly valued. Their branding will include both Arabic and English language options and incorporate local aesthetics to resonate with Emirati

preferences. This approach is designed to facilitate a smoother integration of their services into the local market by allowing businesses to adopt digital solutions at their own pace. Additionally, the company will prioritize mobile optimization and integrate both online and offline marketing strategies, including participation in local trade shows and community events, to align with the high mobile usage and the cultural emphasis on community in Dubai. These preparations reflect a proactive approach to international expansion, emphasizing the need to anticipate and adapt to local market conditions and cultural nuances before market entry.

5. Analysis

5.1 Analysis of Cultural Dimensions in Brand management

For this section, we observe how the cultural dimensions affect the brand management strategies, depending on the cultural dimensions theory. The practical application of these theories can be displayed through branding strategies of Company A in the Swedish market and for Company B, which is planning to enter the United Arab Emirates market. Hofstede's cultural dimensions serve as a framework for understanding how cultural differences affect consumer behavior and ultimately influence strategic marketing decisions (Hofstede, 1980). For example, the individualism versus collectivism dimension helps explain the varied marketing strategies that resonate in culturally distinct markets like Sweden and the United Arab Emirates (Hofstede & Minkov, 2010). In Sweden, characterized by low power distance and high individualism, branding strategies that emphasize equality and personal autonomy are effective. This cultural context influences Company A's approach, which focuses on minimalist and functional design to appeal to Swedish preferences for practicality. The Swedish market values simplicity, efficiency, and individual expression, which is why Company A's branding strategy, highlighting minimalist and functional design, aligns well with Swedish cultural values. In contrast, United Arab Emirates culture, which exhibits higher power distance and a tendency towards collectivism, requires a different approach. Company B plans to introduce products and marketing that emphasize luxury and community values, reflecting the local cultural traits. This includes the use of local languages and aesthetics in their branding to resonate with the Emirati consumers' preference for luxury and status, which are significant cultural markers.

The case of Company A and Company B has shown that the dimension and function of cultural adaptation in brand management are crucial. To illustrate this, Company A maintains its global branding identity by fine-tuning its products to emphasize minimalist and functional design, which aligns with Swedish cultural preferences for simplicity and efficiency. On the other hand, Company B, while keeping its global luxury image, adapts its marketing messages to emphasize community values and local aesthetics, reflecting the high power distance and collectivist culture of the United Arab Emirates. This empirical evidence demonstrates how each company adjusts its customer engagement tactics to meet local cultural preferences. This adaptation is imperative to cater the cultural expectations of all markets in order to reach optimum level in the process of market penetration and resultant consumer resonance.Therefore, this approach does not only provide a solid validation of the cultural dimensions used by Hofstede in international brand building strategies but also makes evident the complexity and difficulties involved in its actually practical application (Hofstede & Minkov, 2010). The idea of a successful international branding process expresses a fine line between keeping the same brand identity throughout the globe and locally adapting according to cultural differences.

5.2 Brand Equity Analysis in international conditions

Brand equity describes the value that a brand brings to the product or service. This value may vary according to the differences in consumer behavior, expectations and market structures in different cultural contexts. Brand equity is an important component of international business as it determines the fate and longevity of a brand (Keller, 2019). This section studies how international brands can analyze and adapt their brand equity to different cultural environments by looking at brand awareness and customer involvement as crucial factors.

5.2.1 Brand Awareness Across Different Cultures

Brand awareness is a pivotal element of brand equity that helps companies establish a foothold in new markets. Effective brand awareness strategies must resonate with the cultural values and consumer behaviors specific to each market (Keller, 2013).

For **Company A**, understanding and adapting to the cultural nuances of different markets was crucial in developing effective brand awareness strategies that resonated with specific consumer behaviors and cultural values. Theoretical frameworks such as Keller's brand Equity model emphasize the importance of aligning brand identity with local cultural values to enhance brand resonance (keller, 2013). This theory underscores that brand resonance is achieved through deep, psychological connections with consumers, which are often culturally driven. In Sweden, a focus on sustainability and minimalist design aligned well with the Swedish consumers' environmental consciousness and their preference for simplicity in design, which are highly valued by Swedish consumers. This approach was not only about product design but also extended into their marketing strategies. Company A engaged in targeted advertising campaigns that highlighted the minimalist and functional aspects of their products, aligning these campaigns with the Swedish ethos of "less is more." Additionally, the company formed partnerships with local eco-friendly initiatives. These actions helped position Company A as a socially responsible brand attuned to the environmental consciousness prevalent among Swedish consumers. This theoretical alignment with local values demonstrates how cultural adaptation in marketing strategies can enhance brand awareness and trust. Conversely, in the Emirates, Company A tailored its approach to cater to the local culture's preference for luxury and status symbols by introducing products with golden accents and bold designs. The company maintained a strong physical presence through showrooms to align with the Emirati preference for personal interaction and hands-on product evaluation. The theoretical underpinning here is that in high power distance cultures, such as the UAE, consumer behavior is often influenced by status and luxury (Hofstede, 1980). This strategy allowed customers to personally interact with and inspect products, aligning well with the local buying behavior. By leveraging Hofstede's cultural dimensions theory, Company A was able to design a brand awareness strategy that catered to the specific cultural expectations of the Emirati market, thus enhancing its market penetration and brand equity.

5.2.2 Evaluating Brand Loyalty Across Diverse Markets

Brand loyalty is influenced by a customer's positive repeated experiences and emotional connection with the brand. Culturally tailored strategies that acknowledge and respect local nuances can significantly enhance this loyalty. This section explores how Company B is preparing to cultivate brand loyalty as they plan their entry into the United Arab Emirates

market, utilizing insights from Keller's Customer-Based Brand Equity model and Hofstede's Cultural Dimensions (Keller, 2013).

Company B is thoroughly contemplating on the cultural idiosyncrasies that may influence brand loyalty positively when it is planning to expand to the United Arab Emirates. According to Keller's Customer-Based Brand Equity model, brand loyalty is built through brand salience, brand performance, brand imagery, brand judgments, brand feelings, and brand resonance (Keller, 2013). Each of these steps can be influenced by cultural factors, as outlined by Hofstede's Cultural Dimensions. UAE´s market, which is based on high power distance and is largely collectivist in its nature, has a strong emphasis on brands that respect the local culture and traditions. Hofstede's Cultural Dimensions theory indicates that in high power distance cultures, consumers are more likely to show loyalty to brands that reflect social status and adhere to cultural norms (Hofstede, 1980). Company B's strategy is to create bilingual branding and communication strategies to deal with the linguistic diversity of the United Arab Emirates. This helps develop crystal clear communication that also highlights your ability to adapt and respect the local culture. This approach aligns with the brand resonance aspect of Keller's model, where clear and culturally relevant communication enhances emotional connection and consumer trust.

A key objective of Company B in the context of the United Arab Emirates importance of community is to bring its excellent services to the people through involvement in trade fairs and community forums. Theoretical insights from the collectivism dimension of Hofstede's model suggest that community engagement is crucial in collectivist societies for building strong customer relationships (Hofstede & Minkov, 2010). This is more than just a business-building exercise but also a way of real integration into the United Arab Emirates´s sociocultural life. In this process, local society tends to be stakeholder oriented and may develop unique connections and loyalty to the brand.

By implementing these strategic initiatives, Company B is not entering the United Arab Emirates market just for the purpose of entering it but is actually positioning itself as a brand that understands and respects the local culture and is aiming to become a trusted and preferred choice among United Arab Emirates´s diverse consumer base. This comprehensive approach demonstrates the practical application of Keller's Customer-Based Brand Equity model and Hofstede's Cultural Dimensions theory in building long-term brand loyalty and

business success in the UAE. The cultures' common understanding showcases their dedication towards creating long term brand loyalty and business success in the United Arab Emirates.

The analysis of international brand equity for Company A and Company B reveals that success in global markets depends significantly on a brand's ability to adapt its strategies to the cultural specifics of each market. Company A's differentiated approach in Sweden and the Emirates shows the importance of aligning marketing strategies with local values—sustainability in Sweden and luxury in the Emirates. Meanwhile, Company B's focus on personal relationships and communication strategies in the United Arab Emirates highlights the effectiveness of integrating cultural understanding into service offerings. These strategies not only enhance brand awareness but also foster deep brand loyalty, which is crucial for long-term success in diverse international markets.

5.3 Global Consistency vs. Local Adaptation

Balancing a global Identity bearing in mind that local factors play a role too, means that this issue represents a major challenge for international businesses today. This balance is essential for resonating with differing consumer groups whilst creating a brand that is universally appealing to every consumer. Bringing together Yip's Global Strategic framework (Yip, 1992) and Hofstede's Cultural Dimensions (Hofstede, 1980) leads to better understanding of the strategies that companies such as Company A and B use while trying to resolve both the problems of globalization and customization.

Company A's operations in Sweden and the Emirates are the practical proof of this supposed strategic balance. In Sweden, Company A, although keeping its brand identity which is mainly based on functionality and design simplicity, it changes its products and its marketing strategies to match the local values of sustainability and minimalist design. Thus, this not only makes the local touch but also strengthens the brand's worldwide identity by always showing its basic traits. On the other hand, in the Emirates, where the local preference is for luxury and opulence, Company A launches custom product lines with premium designs and high-end materials, thus adapting to the local taste for luxury. These adaptations guarantee local market participation while at the same time keeping the quality of the global brand through the unchanging of the global core messages and design elements in all the markets.

On the same line, the **Company B's** campaign for the United Arab Emirates market is built upon the design of a substantial local footprint by blending the luxury elements and community-centered projects into their marketing proposals. Nevertheless, Company B is still very much committed to its international brand identity which is why it still keeps important aspects such as its logo and the general mission/aims in all of its forms of communication. This method not only guarantees the buyers of the brand's international quality requirements but also helps to create a worldwide brand that is well known and trusted.

Moreover, in the technology and social media era, brands have the tools to make sure that their messages are the same in all the global platforms while at the same time they adjust their marketing campaigns to the local audience through the targeted ones. These platforms are of great importance in keeping a unified brand identity that is both global and local at the same time. In the end, the interaction between the global uniformity and the local adaptation requires a strategic and respectful combination of local cultural insights. Both Company A and Company B show that the successful international branding not only caters to the local tastes but also maintains a unified brand identity in all the markets. This strategic balance is very important for brands that want to have a competitive advantage in the global market and at the same time be both universally known and locally loved.

6. Conclusion

6.1 Answer to the Research Question

In this thesis, we investigated the research question:
How do companies operating in both Sweden and the United Arab Emirates use branding strategies to manage cultural differences between the two markets?

Our research has shown that cultural dimensions significantly shape branding strategies, requiring companies to tailor their approaches to fit the cultural norms and consumer behaviors of each market.In Sweden, where individualism and low power distance prevail, branding strategies that emphasize sustainability, functionality, and minimalism resonate well. Conversely, in the UAE, characterized by high power distance and collectivism, brands that emphasize luxury, status, and personal relationships find greater success. For instance, in the UAE, a luxury automotive brand might organize exclusive events to cultivate personal relationships with high-status customers, emphasizing prestige and exclusivity. Meanwhile, in Sweden, a tech company might prioritize eco-friendly innovations to attract sustainability-conscious consumers, reflecting the market's values of environmental responsibility and practicality. Additionally, synchronizing global consistency with a local focus enhances adaptability by integrating cultural aspects into the company. This strategic balance is crucial in influencing local consumers while establishing brand equity.

Examples from the UAE illustrate how brands can operate within or across cultures, enhancing market position and strengthening consumer relationships by adhering to culturally appropriate customs. These examples highlight the practical application of our findings. In conclusion, this knowledge contributes to the development of an international marketing model for brand development that considers cultural factors. Future research should examine how these strategies evolve over time as cultures change, while brands strive to remain relevant in the global market.

6.2 Theoretical Implication

The findings underscore the importance of Hofstede's Cultural Dimensions Framework in guiding branding strategies. By applying Hofstede's dimensions, companies can better understand the cultural values and consumer behaviors that influence brand perception and loyalty. This research also supports Keller's Concept of Brand Equity, demonstrating how brand awareness, perceived quality, brand associations, and brand loyalty must be adapted to different cultural contexts. The balance between global brand consistency and local adaptation, as discussed by Kapferer, is essential for maintaining a strong brand identity while ensuring relevance in diverse markets. Also, this study contributes to the theoretical literature by highlighting the operational relevance of these frameworks. Altogether it helps to fill the gap between knowledge and practice and gives the precise case of how the concepts in the field of international marketing can be put into practice.

Due to the incorporation of the mentioned theoretical frameworks in our research, it strengthens their application while also questioning and enhancing the limitations and possibilities of these theories through the comparison of western and Middle Eastern markets. It may inspire researchers to engage in more studies on how such frameworks work in other different cultural contexts with a view to developing or expanding the theories in their current form. The fact that culture as well as the consumer behavior does not exist in emptiness but rather develops over time. Understanding such dynamics may result in producing more adaptable theoretical frameworks that capture the essence of the ever-changing environment of international markets.

6.3 Practical Implications and Recommendations

The practical implications and recommendations of this thesis are several. Firstly, before entering a market it is crucial to conduct comprehensive market research to understand local consumer behaviors, preferences, and cultural norms. For instance, emphasizing minimalism and sustainability in Sweden might lead to success, while luxury and personal interaction are prioritized in the UAE. Companies should adapt product designs, marketing messages, and communication strategies to connect with local cultural values. Employing a local team can provide insights into market-specific nuances and facilitate communication with consumers. The number of difficulties that an organization faces in trying to find a perfect combination

between the worldwide uniformity and the local adaptation is huge, and the brands should carry out the wide-ranging market research and obtain a complete knowledge of the local cultures. While adapting to local preferences, it is still important to contain a global brand identity. This includes using universal brand elements like logos and core messages, while still customizing products like storytelling and product designs to fit local preferences. This approach ensures that brands remain culturally relevant while maintaining a global identity.

6.4 Limitations of the Thesis

The limitations of this thesis include the small sample size, as a consequence of focusing only on two companies. This limited scope may not capture the full picture, as the findings are specific to these companies and their contexts. Due to the small sample size, it is not possible to generalize the conclusions and recommendations to all companies operating in both the UAE and Sweden. Additionally, the qualitative nature of the research means that findings are context specific and may not be universally applicable. Future research with a larger sample size and more diverse industries could provide a more comprehensive understanding of how cultural differences influence branding strategies.

The methodological choices made during the research, such as the interviews, might have biases. A more diverse and extensive sample could help mitigate these limitations. Furthermore, integrating quantitative methods could provide a more robust analysis and enhance the generalizability of the findings. It is also important to acknowledge that the choice of theoretical frameworks influences the outcomes of this research. Using, for instance, Hofstede's Cultural Dimensions and Keller's Concept of Brand Equity provided specific insights into cultural impacts on branding strategies. However, employing other theories might have led to different conclusions. By addressing these limitations, future research can build on the insights provided by this study to develop a more comprehensive understanding of international branding strategies.

6.5 Suggestion for Future Research

For future research a suggestion is to do comparative studies across more regions, for instance investigate how cultural differences influence branding strategies in other regions, such as Asia, Africa, or Latin America. It would also be interesting to conduct quantitative studies to measure the impact of cultural adaptation on brand performance and consumer loyalty. Another area for future research could be to examine how branding strategies evolve over time in response to changing cultural dynamics and market conditions. Given the rise of global connectivity, it would also be relevant to explore how digital media and social platforms influence branding strategies in different cultural contexts.

Future research could also explore the role of emerging technologies, such as artificial intelligence and virtual reality, in shaping branding strategies across different cultures. Investigating how brands can leverage these technologies to create culturally relevant and engaging experiences could provide valuable insights. Furthermore, longitudinal studies that track the evolution of branding strategies over time could offer a deeper understanding of the dynamic interplay between culture and branding.

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