



Satakunnan ammattikorkeakoulu
Satakunta University of Applied Sciences

TONY BORN

Impact of localization strategies on the Belgian Soft Drinks Market: A Comparative Analysis of American Products

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ABSTRACT

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The objective and aim of this research-based study on localization strategies of American brands on the Belgian market was to understand which strategies the most successful companies are using and if they are also truly effective towards the Belgian consumers. The research findings can be used by smaller companies wanting to expand as bigger companies, this will also give a good foundation knowledge for any business wanting to expand abroad.

The answers to this research questions were acquired first by a theoretical part gathering known information about growing a business to more specifically expanding a American soft drink business in Belgium. The focus of the theoretical part was to give a foundation upon everyone would be able to build upon and adapt depending from the product or country they want to expand too. Those theoretical findings are they supported by empirical findings that were made by analysing the different American brands that were the most successful on the Belgian market and by interviewing Belgian consumers about their perception of the brands and product while giving recommendations on key points that the companies could improve to be more appealing to the Belgian consumers. This two parts allowed us to understand which strategies where the most effective from two different points of view, the theoretical one with the acquired knowledge on the long term and the empirical part where Belgian consumers where explaining their way of seeing things.

The research findings show that preparing as much as possible before entering the market is important but the most important part is the company's ability to adapt to the market once they enter it. Through the thesis we have seen a lot of different strategies companies can use and that their effectiveness can really depend from numerous factors but we have also seen that the best strategy is to combine strategies and not only use one. The empirical part showed us that American soft drink brands have their image darken by the thinking that their soft drinks are bad and that those brands are not sustainable this is an important part when expanding to Belgium changing how the persons perceive the brand will have a big impact on the successfulness of the brand.

Keywords : Strategies, Local, Soft drinks, Branding, Impact, Belgians, Americans

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1 INTRODUCTION

This thesis will study the impact of localization strategies on the Belgian soft drinks market, it is a comparative analysis of American soft drink products. American soft drink brands are constantly growing to reach new markets. To achieve this, they need to adapt to several elements of the new market. Understanding the effectiveness of those localization strategies is crucial for multinational companies wanting to increase the present in specific regions. The primary objective of this study is to understand how the American soft drink brands are using localization strategies in the Belgian market and to determine their effectiveness on various factors like, market shares, success, sales.

The theoretical part of the thesis will explore the concept of localization in marketing and branding to highlight the changes the brands have made to adapt to the Belgian market. The thesis will use existing literature and theories to explain how the changes they did are supposed to affect the consumer and make them more connected to the brand.

To determine if those changes were really helpful in the success of those brands they will be tested during interviews of consumers of the Belgian soft drink market. This test will enable us to go in deep in the examination of key players, their market entry strategies, adaptation to local tastes and promotional activities tailored to the Belgian consumer.

I chose this topic because I have seen a lot of big soft drinks companies like Coca-Cola expanded everywhere in the world and with this expansion they had to encounter different culture, different life styles and finding the right marketing for every place is really what I find the most interesting part about all this process. Finding the right branding strategy of the Soft drinks to expand worldwide is really interesting.

The findings of this study will give us a clearer understanding of the effectiveness of current localization strategies and give a good foundation for further research by other researchers.

1.1 Purpose

The people or organizations that can benefit from this thesis will be companies or people working actively in the soft drink industry internationally (in America), I also hope it will help future researchers to go even deeper into the knowledge in their future researches about this topic. I find it important to understand the underlying strategies of the companies that did succeed worldwide and being able to explain why they worked. Clarifying this would enable us to go even further and help us find even more efficient ways to adapt our localization strategies where ever we want to. This work will really compare the differences between the localization strategies used by American companies (used in America)and how they applied it on the Belgium market.

1.2 Research objectives

The objective of this thesis is to provide international companies with actionable insights about international expansion of their company in new markets and enhance their current performance in their existing markets. This thesis will evaluate different strategies that are already used by major American soft drink brands to understand their effectiveness compared to their strategy in their home country. The findings will also be useful for other companies that are selling other consumer goods. This thesis will also answer the following questions :

Comprehensive comparative analysis :

- Comparison of brand localization strategies already used by different American soft drink manufacturers in the Belgian market. Why does it work for them?

Evaluating the consumer perception and behaviours :

- What is the effect of this localization strategies on Belgian consumer ?

Providing a actionable recommendations :

- Providing recommendations that able other soft drink companies to produce a branding strategy that will work for their company and product.

Contribute to academic knowledge :

- Contribute to the academic understanding of international branding strategies.

Achieving this objective and answers will provide valuable insights about localization the effectiveness of localization strategies aiding companies expanding internationally.

1.3 Integration of theoretical concepts

This thesis will include some key theoretical concepts that will help us better understand what localization strategies the big brands are using. Analysing this theoretical concepts will allow to make better recommendations and determine the effectiveness of the different strategies.

The theoretical concepts that will be used are as follows :

- Consumer behaviour theories, the use of models to analyse how the branding strategies influence the consumers attitudes and buying decisions.
- The use of cultural dimensions theories like Hofstede's Cultural dimensions, to better understand the nuances in the Belgium culture that could affect the success of American soft drink branding strategies.
- The use of Porter's generic strategies could help understand how the branding strategies contribute to the competitive position of American soft drink brands in Belgium.
- The use of theories in global marketing to understand the challenges and opportunities that face American soft drink brands on the Belgian market.
- The use of localization strategy theories by Bartlett & Ghoshal to understand how American soft drink brands can start on the Belgian market.

1.4 Boundaries

The first boundary of this thesis will be a Geographical scope on the Belgian soft drinks market. This will allow for a more in depth analysis of the impact of American soft drinks localization strategies taking into account specific cultural markers of the Belgian culture.

The second boundary will narrow down the number of brands that will be used in this thesis to maximum 2 major soft drink brands that are well known in the industry. Narrowing the brands to well known ones will allow the thesis to go deeper in detail in their strategies. Moreover the broad information about those companies will help me to perform a more thoughtful analysis, hopefully finding all the information I need to answer all my questions.

The third boundary is on the focus of the thesis, localization strategies, narrowing the focus will ensure a deeper understanding of those specific elements and preventing a too broad study.

The fourth boundary is the limitation of the consumer perspective, being primarily a study on the Belgian market the thesis will focus on the Belgian consumers. Focusing on the Belgian consumer will help understand the underlying reasons of their choices and preferences.

1.5 Conceptual framework

The conceptual framework is a graphic representation of key aspects that will be studied during this thesis.

The first aspect is the culture, this is an important aspect to understand how the Belgian consumer are wired from birth, it can tell a lot of things that are common to a group of people.

The second aspect is the consumer behaviour, this aspect is important to understand how the consumers will act/react towards the product or service. Knowing this is important when expanding in new markets and competition will use is to get a head.

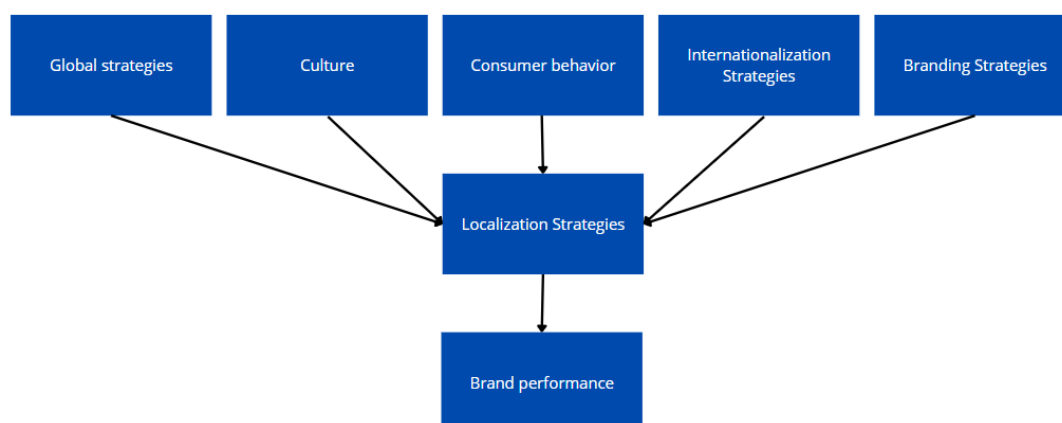
The third aspect is the theoretical perspective, this aspect is important to learn what professionals already found that could help make the strategies of the company more effective. The strategies and theories that will be handled

during this thesis are an important foundation to build upon and make the companies strategies more effective.

This three aspects bring us to the localization strategies, this aspect is the one that will make use of all of the above. It combines the different aspects to make the strategies more effective for a specific environment, in this case the Belgian market.

Finally the brand performance, knowing the theory and asking the consumer is an important step to understand what to act upon but the most important step in the end is the performance of all those strategies combined on the specific market, so it is important to evaluate the brand performance and to compare them to their competitors.

Figure 1 : Conceptual Framework by Tony Born



2 BRANDING STRATEGIES

In the following chapter we will cover different strategies of the theories that are important to understand how localization strategies work and are made. In the first chapter we saw that localization strategies was a combination of different aspects, in this chapter we will go over them and understand the key elements that we will need to make those strategies for any country before diving more specifically in the Belgian market. We will begin by talking about

some “Global Strategies” this is important to learn about the different strategies that companies can implement when expanding internationally. I can help them enter a new market or perform better on current markets. Another important aspect to learn about to be able to perform better is to learn about the branding strategies that you will have to implement on this new market, being able to differentiate your company from the other on a new market is the most important step to take when expanding. We will also see some “Consumer behaviour theories” this aspect is important because the company needs to know where they have to be present and where is it more effective to be present, this will allow companies to lose less money and increase their performance. Cultural dimensions is also an important aspect that will be discussed, every country has a different cultural, countries closer to each other will have a similar culture than those that are far away. Adapting to the different cultures is needed to perform well on a new / different market than the one a company is used to. The consumer will think differently depending from the country and their reaction to the companies actions will be different. And finally we will discuss some Generic Porter strategies that are essential for all companies independently from the place the company want to expand to. Those strategies make a foundation to start from and apply the other strategies and theories too.

2.1 Branding strategies in International Markets

To be able to perform branding you first need a brand. “A brand is a product, service or concept that is publicly distinguished from other products, services or concepts so that it can be easily communicated and usually marketed.” (Hanna, 2022.)

Understanding this can help us better understand what is branding exactly. “Branding is the process of creating and disseminating the brand name, its qualities and personality.” (Hanna, 2022.)

Branding is an important part of a businesses, it allows them to differentiate them from the others by creating their own identity. Customers will also be more incline to create a connection with the brand increasing loyalty, retention.

All very positive features that will could make the scale of competition weight in their favor.

There are different branding strategies that the businesses can use to achieve this internationally. I chose the following one's because I find them to be the most important one's for companies wanting to go abroad, they vary from strategies that are important for a company wanting to enter a new market to strategies that could save them money when they start applying them.

Firstly, their positioning and differentiation, they will have to adapt to the new competitors they will encounter while competing in a new market. They will have to find a way to differentiate themselves of the competitors while aligning with the unique needs and perceptions of consumers from this market. One thing to note it that the economic development stage of the country will play an important role in the consumer behavior and perception of value. In more developed economical countries the factors that will influence the consumers are different from the one's of less developed. For example developed countries will prioritize innovation, brand heritage, sustainability, factors that less developed countries will takes less into account. So it is important to make research about it before hand. This will also play a role in the perceived value of the brand. When a brand aligns more with the culture it increases it's perceived value and will also contribute to the overall brand image, which again will have an impact on the loyalty, retention, of the consumer. (Doole et al.,2019, p. 300-301.)

Secondly, the cultural adaptation, as mentioned above aligning with the culture is an important factor to improve your brand image which is essential to prosper abroad. Theories from theorists like Hofstede are essential to build successful branding strategies. Culture are all different, there are culture that are more individual other more collective. Those are all factors to take into account when delivering your messages to the public. There is a good example of difference due to the culture it goes as follows: "For example, KFC and McDonald's restaurants aim at everyday eating for the mass market in developed countries. In less developed countries, however, they are perceived as places for special occasion eating and out of the reach of the poorest segments of the population. A Mercedes car may be perceived as a luxury car in many countries but as an everyday taxi in Germany." (Doole et al.,2019, p. 308.)

This shows us the differences that we have to take into account when communicating in a different culture and the big brand know it. Another cultural difference some brand forget sometimes about is the language, it is the most obvious one but it is not uncommon to see brands use the same name in a different language and that it completely changes the meaning of it. So studying the culture is also studying the language of the country. While it is important too adapt your branding across the culture some elements may transcend the cultural boundaries, in the end you don't want to recreate another brand, you want to adapt the essence of it to allow people to create strong relationships with it worldwide. (Doole et al.,2019, p. 78-84.)

Thirdly you could opt for a standardization strategy, globalization is closer than ever whit all our communication means, people are connected worldwide. When a trend begins somewhere it will just keep growing all over the world. As everyone becomes influenced by those trends we can see a notable inclination towards standardize products. People want to have the same product as the one they see online, so having more consistency around the world would benefit this. Add to this that the cost efficiencies of standardized products and it can be a viable option for a lot of businesses, it can also be a less costly way for businesses wanting to expand in the global market. (Doole et al.,2019, p. 335-338.)

Lastly, being creative in your positioning dimension, only positioning yourself against the competition using the price is not a good strategic decision, people won't identify with your brand nor will they create a connection with it. It is important to keep that in mind, price is not everything. International brands that thrive on the global stage are the ones that differentiate themselves by a creative way, expressing the business values with people believing in them. It is not always about the product you are selling but it can just be about the story you are telling. An example everyone can relate to is Apple their success is merely achieve using storytelling, everyone knows the stories behind apple or about their new products. They are not just presenting the features of the products but are creating a story that where the consumer can identify themselves in. (Doole et al.,2019, p. 307 – 308.)

I will even add this, according to Harvard professor Gerald Zaltman, emotional connection is 95% of the purchase decisions of the consumer, taking this into

account only mentioning the feature will get you 5% of the sales journey so creating a story that people can connect with is one of the most important things for your business locally. (Boe, 2021.)

In the end, effective branding strategies in international markets requires us to have a understanding of the different strategies, like positioning, cultural considerations, standardization, creative dimensions. Combining some of those strategies will result in a more successful outcome.

3 CONSUMER BEHAVIOUR

Consumer behaviour studies how individuals are going to buy, use, and dispose of the products/services. This information is important to know how to satisfy the needs of the consumer, knowing where to be present and when is key to a successful product/service. This will allow the company to develop more effective marketing strategies and build a strong lasting relationship with their target group.

3.1 Consumer Behaviour theories

Consumer behaviour is an important factor in the success of your products. You want to change the behaviour of the consumer with your product, you want them to integrate your product to their life. A good example of this is your phone, everyone has one and it is just part of our lives now, you want to make a picture you take your phone, you want to search something online you take your phone, people don't even think about it and when they don't have it they feels like there is something missing, that is what you want to reach by changing the behaviour of your consumers. Kotler says there are 4 outcomes to modifying consumer behaviour: "(1) accept a new behaviour (e.g., composting food waste); (2) reject a potentially undesirable behaviour (e.g., starting smoking); (3) modify a current behaviour (e.g., increase physical activity from three to five days of the week or decrease the number of fat grams consumed); or

(4) abandon an old undesirable behaviour (e.g., texting while driving)". (Lee & Kotler, 2019, p.38.)

You have also to be aware of the consumer behaviour patterns if you want to be present during every stage to influence the consumer, Kotler argues that social marketers need to be aware of those different stages. The first stage is "Problem recognition", the consumer becomes aware of the problem or need. The second stage is "Information search", the consumer seeks information about how to solve the problem or meet the need. The third stage is "Alternative evaluation", the consumer evaluates different solutions or options. The last stage is "Purchase decisions", the consumer makes a decision about which solution or option to purchase. This model is very important for marketers all around the world, if you want to have an impact on the every stage of the consumer behaviour process you have to be present in it. When they search for information about the best products to solve their problem you have to be in the first products they find. When they look for other products you have to remind them why your product will solve their problem better than a competitor. When making the purchase decision you have to reassure them that they made the right choice. Being present in multiple steps will increase dramatically your sales. (Ammi, 2013,p.110.)

3.2 Cultural Dimensions in Marketing

Cultural dimensions are very important in the marketing world, without it business wouldn't be able to target their audience effectively. Cultural dimensions are what how the people are made, the shared values, the beliefs, the norms, behaviors. All those factors that influence the actions of the people and those factors are different for every country so it is important to work on it to know what communication will be the most effective when a business want to enter the global arena.

On of the most famous dimensions model created is the 6 dimensions model of Hofstede.

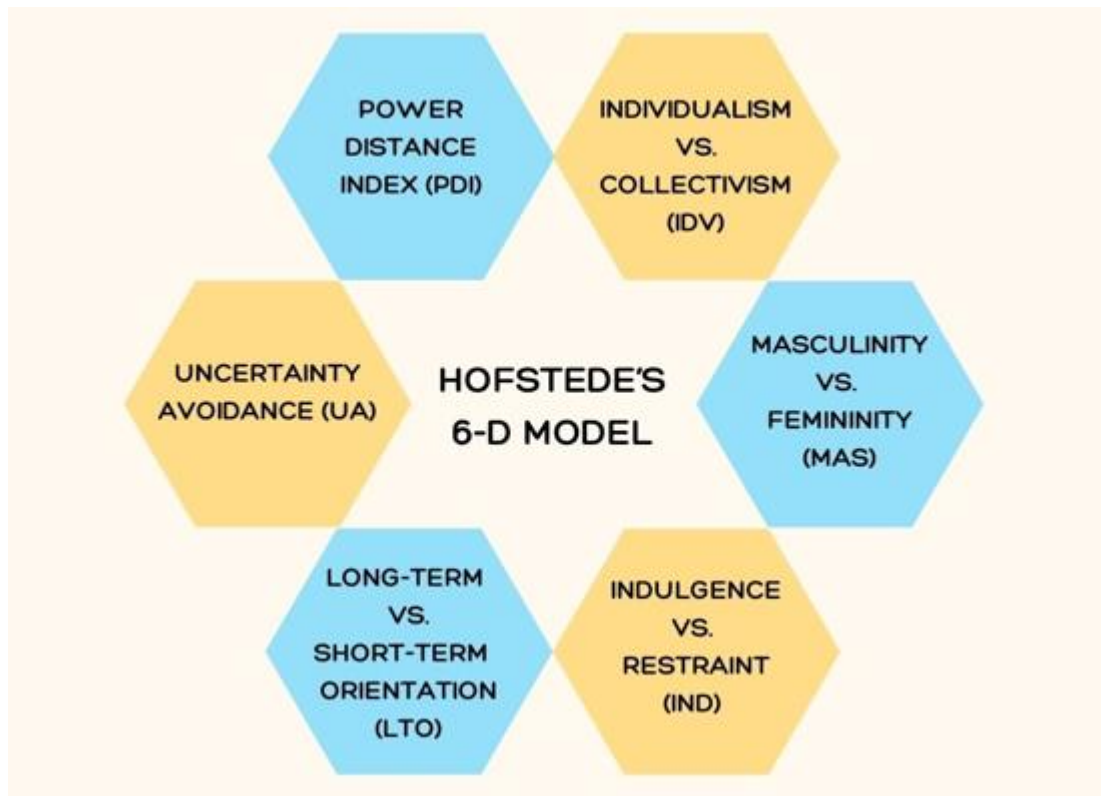


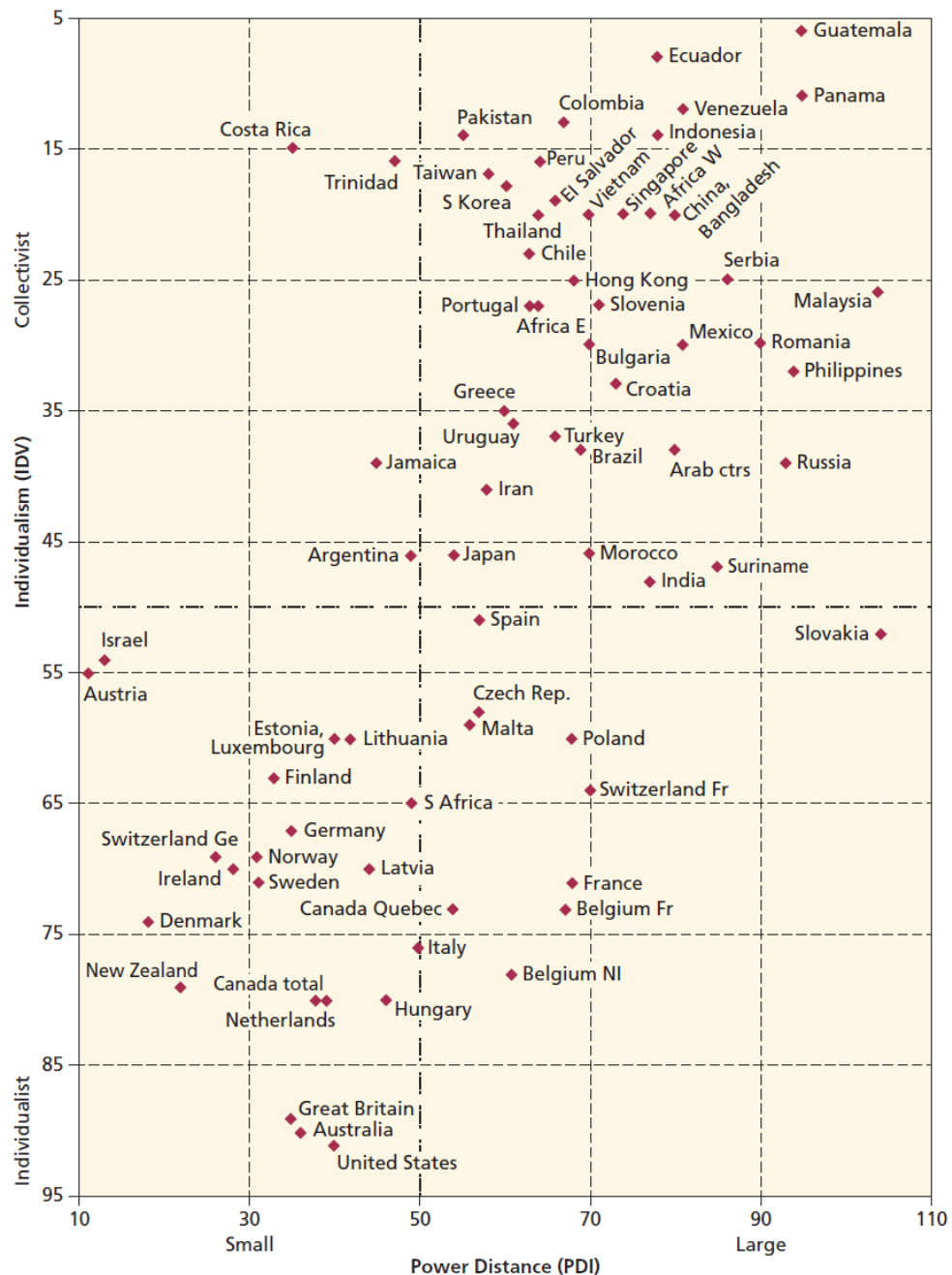
Figure 2: Hofstede 6 dimensions of National Culture (Liang Sheena, 2022.)

The first dimension is “Individualism vs Collectivism”, Hofstede explains that at one end of the spectrum you have a society with people that are not bind together, this is in countries where there is a lot of freedom people are independent and self-caring, they don’t expect the help of someone else and are less willing to help other if there is nothing that will benefit them, Hofstede give those countries a high IDV score, meaning that they are individualist. At the other end you have countries where people are bound together, they are always looking at the benefits for the group and not only themselves, those people have common values and think alike, in return the group protect them. Hofstede give those countries a low IDV score. It is an important to know this when you communicate in those countries, using an Individual marketing strategy in a Collective country won’t work and will have a negative impact on your product. (Doole et al.,2019, p. 95.)

The second dimension is “Power distance index”, in this dimension Hofstede takes into account the differences in physical and intellectual capacity and sees how countries deal with this differences, will the country let inequality grow or will the country keep everyone at the same level. This dimensions is very important to know because if you combine it with the first dimensions you

will see that most developed countries tend to rate high on collectivism and power distance. This dimension is also useful for marketers, people that are living in countries with more inequalities and differences in status and power will want to show it to the others, so in those countries having a category of more high ends products will work better than in countries where equality is the norm. (Doole et al.,2019, p. 95.)

FIGURE 3.2 Power distance/individualism dimensions across culture



Source: Hofstede, G., Hofstede, G.J. and Minkov, M. (2010) *Cultures and organizations: software for the mind – intercultural cooperation and its importance for survival*, 3rd edition. McGraw Hill. Reproduced with permission of G. Hofstede.

Figure 3 Power distance/individualism dimensions across culture (G.Hofsted,G.J.& Minkov, 2010.)

The third dimension is “Uncertainty avoidance”, in this dimension Hofstede studies how different countries are okay with taking risks. Countries with low UA score tend to accept each day as it comes, they take risks quite easily and accept others opinions and behavior. On the other hand in countries that have a high UA score you will find people that are always looking at the future, that

want to have rules. They are more looking at what they can lose than the countries with a low UA score. The dimension is useful for marketers because it shows them what they have to emphasize in their campaigns, countries that take risks more easily won't need as much reassurance before buying the product as the people that are avoiding uncertainty. (Doole et al., 2019, p. 95.)

The fourth dimension is "Masculinity vs femininity", in this dimension Hofstede studies the differences in values, in a more Masculine country they will value more stress making money, achieving success. In this society the people admire individual brilliance and success. In more feminine societies people are more about the people, they will want to build strong relationships with the people they work with giving less attention to the money side. In feminine societies working with someone is more of a partnership with the person, in masculine societies they see them more as clients or suppliers. This is important to know when you are working with people of another country, it shows you where you have to focus on more depending of the country. (Doole et al., 2019, p. 95.)

The fifth dimension is "Long-term orientation vs short-term orientation", in this dimension Hofstede studies how people of a country are saving for the future or not. Countries with a low LTO score tend to come from low economic countries and saving money for the future is not something they tend to do but they are used to gain quick returns. On the other hand countries with a high LTO score tend to think more about the future, they will adapt more easily to changes occurring along the way. This dimension is a good indicator for marketers to know how to communicate their products, people that are more ready to live the day will put less attention in how long the product is going to last than people that are thinking about the future. (Doole et al., 2019, p. 97.)

And the last dimension, "Indulgence vs restraint", in this dimension Hofstede studies how people are feeling about rewarding themselves. In countries with a low IVR score people tend to feel bad when rewarding themselves and having fun, in those countries people act on restraint, they control their impulses due to strict social norms in their society. In high IVR scoring countries, people act more on impulses, enjoying life in the moment. They reward themselves, have fun when they have the occasion and are overall more happy. This dimension is important for marketers to know how people feel about buying

products that are entertaining, in countries with a low IVR score they would have to focus more on how it help them achieve something, for example work more effectively, eat faster, than on the fun part of a product. (Doole et al.,2019, p. 94 – 96.)

4 PORTER'S GENERIC STRATEGIES

Going back to the foundation is always a good way to improve or develop effective strategies, that is why it is important to know them. Porter's strategies are a good foundation to build upon and are essential in the beginning stages of the company. If you don't know where you are going people will get confused and won't know the difference between you or a competitor, it is important to make this clear straight from the beginning. This will also lead to more growth because one's you know what the company is going for you can't build upon it and make it more efficient. Porter's generic strategies are also quite simple to understand and implement, the strategies are very different and important to know what the company goals are going to be.

4.1 Porter's Generic Strategies

Porter's generic strategies are different strategic approaches proposed by Michael Porter for businesses. Those strategies are meant to increase their competitive advantage on their respective markets. They are also meant to guide the efforts of the businesses to find their position in their industry and find what makes them different from the competition.

The first strategy is "Cost leadership", in this strategy the will focus on being the cheapest on the market, to achieve this they will have to reduce their base costs as much as possible to be able to sustain such pricing method. The businesses that will benefit the most from this strategy are businesses that are located in locations where labour is very cheap and with cheap raw materials. To be able to sustain such pricing the businesses using this strategy will mostly

large or medium size, the financial strain would be too much for small enterprises to maintain. They have to be able to take a hit for some time because adopting this strategy can take some time and will generate losses in the beginning. The businesses using this strategy will have to allocate the majority of their resources to making the product cheaper, resulting in a decrease of marketing activities. The risk with this strategy is new competitors entering the market with the same strategy which will force you to cut even more the price which can be hard to sustain if you face a strong competitor.

The second strategy is "Focus", in this strategy the business focus on one or more specific, narrow market segments, allowing the accumulation of specialized knowledge within each segment. This is especially a good strategy for businesses that are already in a specific niche. For this strategy to be successful the business will have to allocate a lot of resources in customer and technical support. They have to be so good in that segment that people buy their product because they know it's the best on the market and if there is a problem the company will fix it for them. With this strategy it is really the goal to dominate the market that is why it has to be a narrow market, doing this at a larger scale would increase the financial burden which would be hard to sustain long term.

The last strategy is "Differentiation", in this strategy the business will differentiate its product from the competitors. To achieve this they will have to highlight specific benefits in the products that are valued by consumers and are better than what the competitors are offering. This strategy will be easier to work with in smaller enterprises because they offer more flexibility than bigger enterprises. To be able to always offer a benefit that competitors don't have they will have to innovate continuously to increase the value perceived by the consumer. Businesses opting for this strategy will have to identify and understand the unique need and preferences of their target market to align the product benefit with their target market. It is important to note that this is a difficult task because the business will have to perceive those needs before their competitors. Lastly, this strategy can be costly because of the continuous innovation needed to stay different from the competition. (Doole et al., 2019, p. 185 – 186.)

5 GLOBAL STRATEGIES

Global strategies are crucial for the success of a company worldwide, it guide them to expand their reach beyond their domestic borders and reach new customers that they wouldn't have reached before in addition of having new growth opportunities. Being established in different countries gives the enterprise also a more diverse revenue flow which result in less fluctuations in the cash flow of the company than when they are only depending on one market. For businesses that have already expanded abroad it can give them a competitive advantage using those global strategies. Furthermore, being exposed to different market will lead to an increase in innovation of the company, working with different people that think differently lead to new ideas the company didn't thought about before. Lastly, having a global brand lead to increase presence in the world leading to an increase in the reputation and footprint of the brand.

There are different strategies that the companies can use, they are all useful for companies, some will more benefit from the market entry one's and other that are already established will more benefit from the strategies on the product. I chose the following because they are easy for everyone to understand and implement in their business.

"Standardization and adaptation" with this strategy the company wants to maximize their performance by using the benefits of globalization. To be able to perform at their best companies have to implement standardization and adaptation in their products. Standardization meant that the company will try to keep the same strategies across the different international markets, this is important because having to pursuit different strategies in different countries involves a lot more cost than just doing the same everywhere but this implies that the strategies can be used globally, that means it can't be too specific to a certain location. Some companies will only use this strategies which is a good one for small companies wanting to enter the global market while minimizing the entry price. This strategy is also very beneficial for companies wanting to create the same experience for the customers worldwide increasing the overall consumer sense of familiarity where ever they go. But standardization can only go so far,

if you want to perform even better you will have to adapt your strategies to the different markets to maximize your consumer reach, in this case you will have to use the adaptation strategy. When you adapt to the different consumer of the different markets you will reach more people, the different markets have different cultures, different competition. Adapting to those differences will increase the relevancy on those markets. Adaptation doesn't mean you have to reinvent a new product for the market but in may need to have so modification to meet the different needs of the market. The downside of adapting to the different markets is that the more you expand the more in will become costly to sustain such adaptation, that is why you have to find the balance between standardization and adaptation, most products are not going to need to be totally redesigned or reengineered, some changes that would increase the relevancy can be costly and not be worth it in the end because of that, finding the best balance is the goal of every global company, it will take time and experience to find it. In conclusion the most successful global firms are the one that can balance between standardization and adaptation to benefit from both the decrease in cost and increase in market relevancy. (Doole et al.,2019, p. 223 – 229.)

Market entry strategies, those strategies are very important for companies that are determining how they are going to expand to a new country, which strategies are they going to use to have the best growth.

The first strategy is "Exporting", it can be costly to directly establish your production in a country where you are not yet developed in, it can be best to just start by exporting your product from your country to consumer based elsewhere, you will face the delivery cost and all the trade barriers but it still would be a more cost efficient way to sell in a new country because the risks are minimal, you can try your product in a new market without making any major investments.

The second one would be "Licensing", with this strategy you allow another company already established in the country to produce your product in exchange of a percentage of the sales, this strategy is good because it allows companies to enter new markets without any investment, it also eliminates the barriers you could face with exporting your product. The downsize would be

that you lose some control over the marketing of their product and sharing your intellectual property with another company can lead to issues.

The third strategy is “Joint Ventures”, in this strategy you work in collaboration with other companies, the risks are then shared among the different companies, you get expertise from local companies which will make it easier to make your marketing strategy more relevant to the country you are expanding too. The only downside here would be the difficulties in the managing and decision making process.

The fourth strategy is “Franchising”, in this strategy you allow a company to operate its business using your name and product. It is a very efficient way to expand very rapidly. A good example of this strategy is McDonald’s when they started franchising they expanded quickly across America which would have been impossible without franchisee. The downside to this strategy is that it is difficult maintaining your brand consistency, if one of the franchisee does something that can harm the brand it will impact all the company and all the franchisee. The last strategy is “Wholly-Owned Subsidiaries”, in this strategy the company buys another company already established in the country, it is an easy way to directly acquire market shares in a very short time. The advantages to doing this is that you have full ownership of the company you buy so it is easy to keep maximum control and keep brand consistency. The downside is the very high initial investment you will have to do to acquire the company which is a risk if it doesn’t work out in the end. It can also be hard to directly adapt to the local market dynamics and regulations if you didn’t build it from the bottom so that is to keep in mind. (Doole et al., 2019, p. 248 – 262)

It is important to combine different global strategies to achieve the best results, this is a strategy on its own.

6 INTERNATIONALIZATION STRATEGIES

The world has shrunk in the recent decades. Advancements in technology, communication, and transportation offers a ease of interconnectedness like

never before fundamentally altering the landscape of global business. Companies of all sizes, small as big, are able to increase their brand recognition across the world allowing them to transcend their borders and enter new markets that were out of reach before that. This leads to more and more companies expanding, wanting to compete on new markets, access new resources, widening their consumer base. However operating in this dynamic markets present new challenges that companies have to face. Cultural differences, different regulations, different consumer with different preferences and behaviours demands to have new more sophisticated and adaptable approaches to business strategies. (Bartlett & Ghoshal, 1989.)

Simply entering a new market doesn't ensure the success of your business, so it is important to be well prepared before venturing into a new international market by using well known strategies. One of the most influential frameworks for understanding and implementing those strategies is the Bartlett and Ghoshal Matrix. (Bartlett & Ghoshal, 1989.)

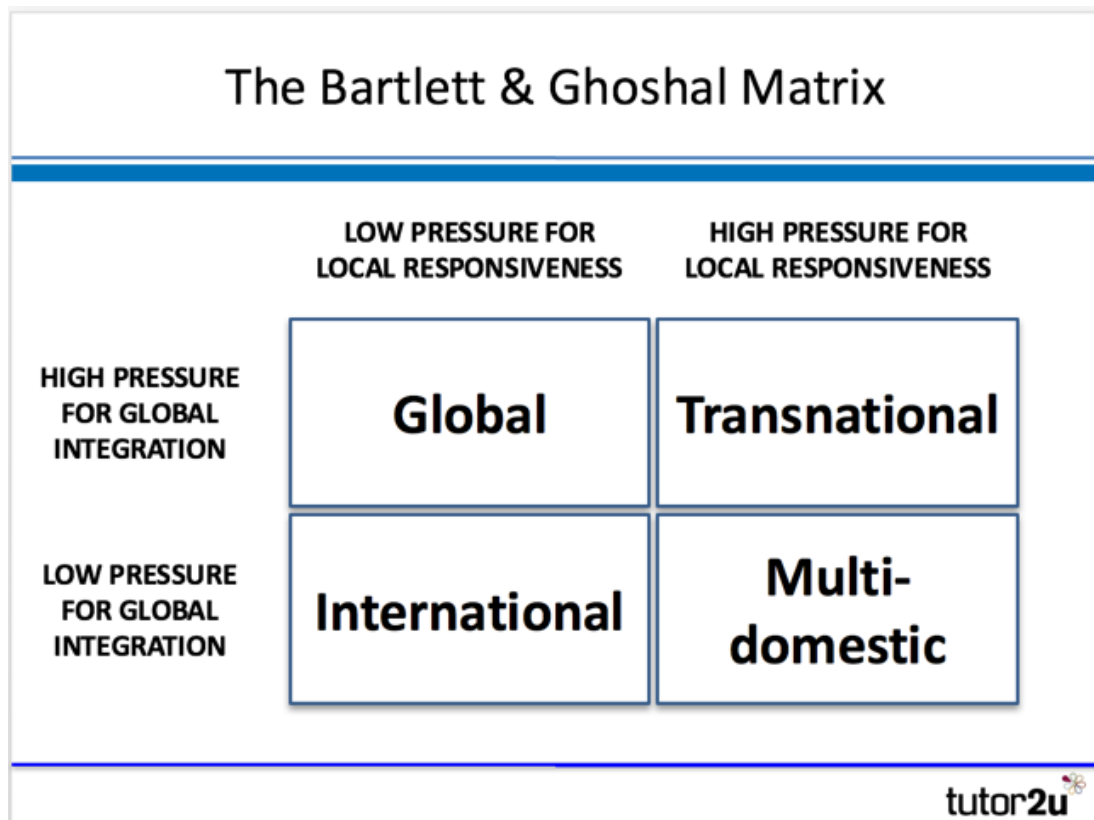


Figure 4: Bartlett & Ghoshal Matrix ((Bartlett & Ghoshal Model, 2024)

This framework is based on two key opposite dimensions :

- **Global Integration** : This dimension represent at which extend the company is going to standardized its product and operation across the different markets. Standardization of the product and operation is a great way for the company to leverage economy of scale, producing the same product in larger quantities results in a decrease in the cost for each unit. This dimension is for companies prioritising cost reduction, efficiency and wanting a streamlined global supply chain.
- **Local Responsiveness** : This dimension represent the company's ability to adapt its product and services to their new consumer preferences. Companies choosing this dimensions focus on the customization of their products and services increasing its relevancy to their consumer cultural difference, legal requirements and consumer preferences. This can be done by adapting the ingredients of their beverages to adapt to the different taste of the consumer by incorporating local ingredients or to comply with the regulations.

6.1 Multi-domestic Strategy

This strategy is the best in local responsiveness. Companies going for this strategy focus on adapting the product to the new market. Companies using this strategy empower local subsidiaries to make independent decisions on product development marketing, and operations. This strategy thrives on deep understanding of cultural nuances, legal environments, consumer preferences. (Bhandari, 2013.)

For a beverage company this would consist of adapting their product line to cater to regional taste profiles. For a popular soft drink brand they might offer less sugary options in markets that are more health-conscious or introduce new flavours specific to local ingredients.

6.2 Global Strategy

This strategy is the best in global integration. Companies going for this strategy focus on standardize the product and services across the markets. This strategy uses economy of scales which translates to a decrease in cost per unit of production and an increase in the efficiency of the operation. (Moon & Kim, 2008.)

Beverage companies using this strategy won't make changes to the base product other than apply mandatory regulations. The taste will be minimal or no changes across markets.

6.3 Transnational Strategy

This strategy is for companies wanting a middle ground between global efficiency and local responsiveness. The core of the business focus on a standardized base to reduce cost and increase efficiency but local subsidiaries are allowed to customize the product increasing the relevancy with cultural nuances and responding to local peoples preferences. (Williamson, 2016.)

For examples, coca cola as a global brand image, standardized across markets but their subsidiaries makes localized flavours changes like, coca cola ginger in Asia.

6.4 International Strategy

This strategy is for companies wanting to have the lowest entry barriers as possible. Using this strategy the company won't expand in other markets with physical assets but is going to export their product to the other markets. Often used as first stepping stop to expand further it allows companies to try a new market with minimal financial risk. (Daniels, Radebaugh, & Sullivan, 2015.)

For a beverage company this would translate to exporting the most common of their products to this new market utilizing already well established retailers locally.

6.5 Coca-Cola : International Business Strategy

Analysing a big company and more importantly the company that is performing the best on the international soft drink market is the best way to understand what companies use or should use to become successful on a global scale. To have a deeper understanding of the Coca-Cola company and its strategies I will be using a couple of theses already made about it that will give us a much deeper understanding than what basic research can show us.

First, we notice that Coca-Cola hasn't become a world soft drink leader by accident it took time, expanding to all those different markets with different preferences lead to them needing to adapt to every one of them to ensure success. Second, Coca-Cola is not only a sugary soft drink that everyone knows, it has diversified its portfolio to cater to a wide range of preferences for soft drinks to another range of products like juice, teas, water. Doing this expands their target group much wider than a company only doing soft drinks showing that more healthy options are needed for a company to be able to provide their products to a wider audience. However, we also notice that Coca-Cola isn't focusing everything on local responsiveness, everything they do is thought from a global perspective but they act locally on the markets where it's needed. A couple of examples of this is in China they understand the cultural relevance so they adopted a name that would resonate with the local consumers, in Peru they understood that to get closer to their consumers they had to build trust because Peruvian people are very sensitive to this, so they emphasize their long history in the Peruvian market, to foster a sense of familiarity and reliability with the local consumers. There are hundreds of examples like this, knowing when to adapt and where is their most important strength. What we can learn from this is that you shouldn't focus exclusively in local responsiveness or global considerations in the long term, the sweet spot is where the two are perfectly balanced, giving you both of their advantages with less of the disadvantages, the perfect balance between cost reduction and efficiency and personalization. (Jamankulova Regina & Ayhan Niyazi, 2020) (Ba Banutu-Gomez Michael, 2012.)

7 INTEGRATIVE ANALYSIS

Now that we have found all the theory that will be needed to understand this thesis, I will go over the important findings from the theory.

In the theory about branding strategies in international markets we can see that it is an important to succeed, the process to do so is similar to the one you would do in your local market, you have to find what makes you different from the rest of this new market otherwise you will lose your customer loyalty. To achieve this branding it is important to keep in mind how developed the country economy is and the cultural differences that you might face, you have to adapt your strategy to this factors.

In the consumer behaviour we see that it is important to understand how your new customers we react when your product comes on the market, you will have to play on the different stages of the behaviour process to make sales. This process will basically be the same as in your local market but research will be needed to identify which stages of the behaviour process are holding the consumer back from buying your products. Note that it is still very important to be present in every stage of the behaviour process if you want to be successful on this new market.

For the cultural dimensions in marketing it is clear that the Hofstede model is a good base line to guide you to a more effective marketing strategy. Some of the key factors are : Individualism vs Collectivism, power distance index, uncertainty avoidance, masculinity vs femininity, long-term vs short-term orientation, and indulgence vs restraint influence. Understanding where the new country place is with this factor will give you a tremendous guide to adapting your localization strategies and succeeds on your new market.

Porter's generic strategies is also important to guide you and help you decide what you want to be on the market. You have three options : Cost leadership, Focus, and Differentiation. Porter's generic strategies are good because they are applicable on every market. Depending from your goals one of them will work better for you.

Lastly the global strategies, are essential for businesses wanting to expand abroad, diversifying their revenue streams, increase innovation. There are

numerous strategies that a business will use to succeed on this new market as follows : Standardization, Adaptation, exporting, licensing, joint venture, franchising, wholly-owned subsidiaries,... It is important that the business doesn't only use one of those strategies, they are meant to be mixt to achieve a better result.

In conclusion, all the models and strategies seen are meant to be used in combination of others, integrating one of those strategies to your expansion will already help you grow abroad but combining the most useful ones for your company is what most highly successful global firms do, finding the right balance between the different strategies allows you to leverage the benefits from each one while minimizing the downsides.

8 METHODOLOGY

8.1 Research design

The research design used is descriptive, to be able to understand more deeply what are the underlying causes of some of the participants decisions it is interesting to go deeper in their thinking process that is why the descriptive research design is the best suited for this research. The research is going to answer some questions so it is important to have all the information that we can collect to make accurate recommendations. (Saunders at al.,2019, p. 187.)

8.2 Research method

The research method used is qualitative, the data collection method are interviews this interviews will generate non numerical data being open answers, they can tell what they want and the conversation will follow his course with what the participants says to better understand the underlying reasons. (Saunders at al.,2019, p. 175 – 176.)

8.3 Population and sample

The population used are Belgian consumers, this research is to see if localization strategies of American products are having an impact on the Belgian consumers so it is important to ask the people that are buying soft drinks in the stores in Belgium, because they are the one that are going to buy the product. (Saunders at al.,2019, p. 57 – 58.)

The age of the group are young people between the age of 15 and 34, they are the most representative of people buying soft drinks as found by (Eurostat, 2021).

The sampling method used is Volunteer sampling, the participants volunteer to participate to the research. The planned number of candidates would be 10, coming from different backgrounds and living places. Using the self-selection sampling method, participants wanting to contribute to this research will be more prone to explain their reasons and that is what is needed for this research. (Saunders at al.,2019, p. 323 – 324.)

8.4 Data collection methods

The focus of the research is to understand if today's big global soft drink firms are using effective localization strategies or if they are simply not working giving use a better understanding of what changes would they have to do to make them work.

The data collection method is by Interview, I did the interview on multiple dates from the 18/04/2023 to the 20/04/2024. This collection method was chosen because it give the most information about the underlying reasons of the participants choices. It was a semi – structured, the interview was guided by some main topics and questions that were asked to the participant but when question arose they were deepened to have get a better understanding of the explanation or choice. (Saunders at al.,2019, p. 434 – 443.)

8.5 Data analysis methods

The data for the surveys will be analysed by fragmentation, analysing qualitative data can be hard to transform to recommendations. It's important to keep in mind the big picture of the survey to determine the patterns and be able to summarize the data in simple and comprehensive data to be able to make useful recommendations. (Saunders at al.,2019, p. 643.)

The analysis method used in for this is the Thematic analysis, it is the best suited to understand a large and disparate amount of qualitative data it gives flexibility to use transcripts and notes to identify patterns in the data. (Saunders at al.,2019, p. 651.)

When using this technique it is important to first code your quantitative data, you will label your data that summarize the meaning of the person. Labelling the data will allow the researcher to identify themes or patterns for his research question. (Saunders at al.,2019, p. 653.)

8.6 Validity and reliability

The validity of a research is a sum of different factors like the Content Validity, Construct Validity, Criterion-Related Validity. (Saunders at al.,2019, p. 516 – 517.)

For the Content Validity of this research I used the interview collection method to have the widest range of understanding of the consumers, with this method I allowed to go deeper in the thought and feelings of the consumers and get to the underlying causes of their answers. The use of volunteer sampling was also made to mitigate the inaccuracy of the answers, that some consumer could have given to finish the interview faster. (Saunders at al.,2019, p. 517)

For the Construct Validity the interview method is the most accurate one to find answers to the research questions, being able to go deeper in what the consumer is thinking and why is the most important factor for the choice of the collection method. (Saunders at al.,2019, p. 517.)

For the Criterion-Related Validity of this research, the interview answer and choices were compared to what the theoretical concepts that were studied

above and coincide with what was found, supporting the accuracy of the chosen collection method for this thesis and the research questions. (Saunders et al., 2019, p. 517.)

The interviews reliability is high, there was a first test interview to test the questionnaire and see if all the questions were well understood by the participant. One's the changes have been made to assure the perfect understanding of the questions the questionnaire was then used on the other participants. After the test the different answers were analysed to assure consistency between the answers to look at the accuracy of the research.

8.7 Survey Design

These questions were selected because it gather comprehensive insight about the consumer behaviour around American soft drink brands on the Belgian market. Each question gives us specific information to help us better understand which localization strategies are the most effective on the Belgian consumer? Which brands are performing the best in the eyes of the consumer? Which factors influence the most the Belgian consumers? The differences between the American soft drink brands strategies effectiveness?

The question provide us the underlying reasons of the consumers choices to understand their behaviour and what influence them the most.

To explain more in detail why these different questions were chosen, I will go over the questionnaire you can find in the appendix and explain each one: The In order to see how aware the consumers are about the different American soft drink brands on the Belgium market, I created question 1: "Have you noticed American soft drink brands in the Belgian market?"

In order to identify which of those brands are coming to the mind of the consumers when thinking about American soft drink brands, I created question 2: "Which American soft drink brands do you recognize?"

In order to explore the consumer's preferences for certain American soft drink brands over local ones, giving us insight about the product being relevant to the Belgian consumer preference on the market, I created question 3: "Do you

have a preference for American soft drinks over local or other international brands ? Why or why not ?”

In order to see if consumers perceive the American soft drink brand fitting the Belgian culture and being relevant to the consumer, I created question 4 :”How do you perceive American soft drinks in terms of cultural fit with Belgium?”

In order to explore the importance of the health and sustainability factors when buying soft drinks, I created question 5 :”How important are factors like sustainability or health considerations when choosing soft drinks ?”

In order to see how American soft drink brand are seen from a health and sustainability perspective and see if it plays an impact on the consumer decision process, I created question 6 :”Do you perceive American soft drinks differently in terms of health or sustainability?”

In order to see if the consumer perceived the difference in taste of the same American soft drinks across different country and cultures. This is aimed to explore the size of the changes that American soft drink brands are making across different markets, I created question 7 :”Do you notice the difference in taste / packaging from American soft drink brands depending of the country ?”

In order to explore which tastes Belgium consumers would like to have in Belgium, giving us insight of potential changes in Belgian consumer preferences, I created question 8 :”Are there any specific flavours or variations of American soft drinks that you believe would appeal more to Belgian consumers?”

In order to know how are American soft drink companies using local brands or partnership to expand in new markets and gain increase brand awareness, I created question 9 :”Have you ever participated in or observed any partnerships or collaborations between American soft drink brands and local Belgian businesses or events?”

In order to explore where do consumer see the most American soft drink brands to give us insight about places that are more likely to prefer American soft drinks, I created question 10 :”Are there any specific distribution channels or retail locations where American soft drink brands are more prominent or preferred in Belgium?”

In order to explore all the ideas the consumer as about the American soft drink brands and explore potential improvements they can make to appeal more to

the Belgian consumer on the Belgian market, I created question 11 :”Is there anything you believe American soft drink brands could do to improve their appeal in the Belgian market ?”

9 EMPIRICAL FINDINGS

In this section, we will dive in the empirical findings, this mean I will present the results of the research on localization strategies and consumer responses in the Belgian soft drink market.

In the localization strategies we will explore a bit more which strategies the most successful companies are using on the Belgian soft drink market and after that with the support of the interviews we will have an idea if those present are actually the ones that are performing the best in the mind of the Belgian consumer.

9.1 Localization strategies

As we have we have seen in the theoretical part there are a large range of strategies a company can use to enter a new market and expand. In this part I will go over a couple of those strategies briefly before talking about the ones the most successful American soft drink brands use on the Belgian market.

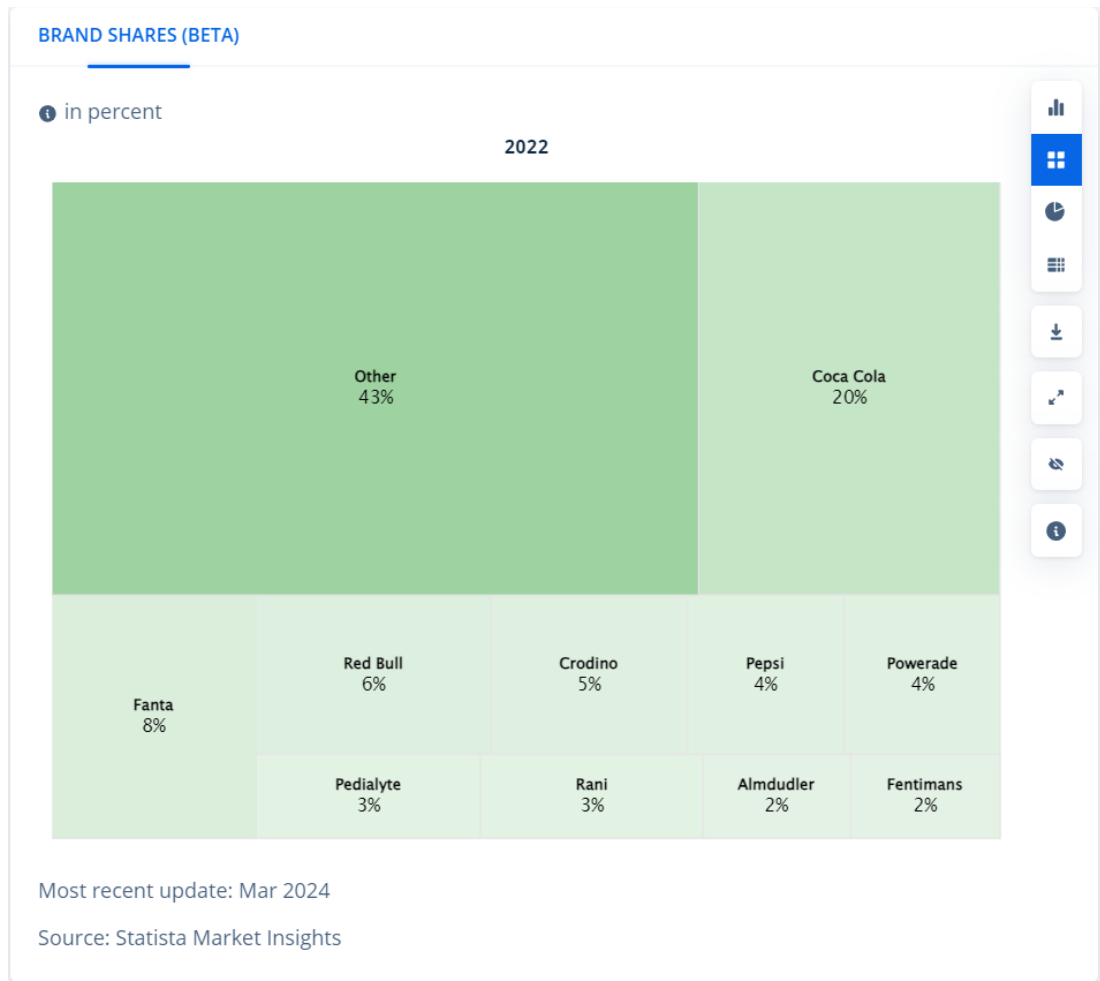


Figure 5 Brand Shares Graph (Statista, 2024)

Of course the best performing brand in Belgium is also the best performing brand worldwide so analysing their strategy on the Belgium market will be very valuable for other researchers wanting to go further in the analysing. Coca-Cola has 20% of the overall soft drink brand shares on the Belgium market. (Statista, 2024)

To give you an idea of how much this is, Fanta is the second most successful on the market with only 8% of the shares. Their presence is tremendous worldwide and this is explained by their strategy. I already analysed once the Coca-Cola evolution in the world in the theory part but this time lets focus on Coca-Cola on the Belgium market. If we take a look at Coca-Cola Belgium website we can directly notice a couple of things using a marketer perspective.

First they adapted the website to suite Belgian culture and language, you have the option to put the website in the different languages spoken in Belgium, French, Dutch, they could have added German also being a small part but still

existent in Belgium. (Coca-Cola - Valeurs Nutritives Et Ingrédients | Coca-Cola BE, n.d.)

Second if we take a closer look at the different soft drink products present on the Belgian market we see that they adapted their product to different tastes that you cannot find in other countries and the same can be seen in other countries, the tastes are really destined to certain markets, supposedly to better suit to the Belgian tastes. (Coca-Cola - Valeurs Nutritives Et Ingrédients | Coca-Cola BE, n.d.)

Third taking a closer look too the ingredients we see a small but noticeable difference between the different ingredients used for the same drinks but in different countries, talking from experience tasting the same drink in a different country really tastes different. To note, this can be the cause of different regulations also not only made to suite the taste of a different market.(Coca-Cola - Valeurs Nutritives Et Ingrédients | Coca-Cola BE, n.d.)

The strategies brands used is a well-known kept secret from the brands to this thesis tries to identify the strategies used but they may have small differences that we cannot discover without inside information which is illegal to get.

If we go back to the theory we can assume that Coca-Cola is using a “Trans-national Strategy” they spend time to adapt to the local market with different products that are more suited to the Belgian consumer but they still keep their global efficiency by making similar or the same products worldwide. We can also read from their website that they got some factories located in Belgium just to make some of the products while keeping the production cost as low as possible. (Coca-Cola - Valeurs Nutritives Et Ingrédients | Coca-Cola BE, n.d.)

Using this strategy Coca-Cola is trying to have the best of both worlds cutting their cost down while adapting to the local market increasing their sales.

This strategy worked for them because they already had some funds before putting it in motion, a smaller soft drink company wouldn't be able to do this so rapidly and would most probably fail in the process because of the funds needed to be invested before it becomes profitable.

If we take a look at Fanta now, the second most successful soft drink brand on the Belgian market, we first see that it is owned by Coca-Cola company meaning that Coca-Cola is the one managing it also with a multitude of other soft drink brands. If we look more closely the origine of Fanta we can see it was

invented in Germany by Coca-Cola Deutschland so this can create debate if we can consider Fanta as having an American soft drink soul or a German one that being said the strategy used is the same as for the Coca-Cola brand so the added value to this thesis would be minimal so I have decided to skip it for a more interesting brand using another strategy. (Holland, 2023)

If we take a look at the third most successful company on the market we get Red Bull. Again I will first analyze their website before talking about the strategy they use. (Statista, 2024)

First we see the exact same adaptation as for Coca-Cola, they adapted the website language and culture to suite the Belgian consumers better. (Red Bull Donne Des Ailes - RedBull.com, n.d.)

Second taking a closer look at the products they brought out on the Belgian soft drink market we can also see that they made different variations like Coca-Cola but this time it looks more like they bring new tastes out more regularly with special edition drinks taking into account some cultural event from Belgium or the season we are in. (Red Bull Donne Des Ailes - RedBull.com, n.d.)

Third we see the ingredients are different again depending of the country you buy the product from.

Again we see that Red Bull also went for a "Transnational Strategy", they adapt locally to the Belgian consumer with product that the consumers are more likely to buy and have manufacturing closer to where the product are delivered, this time there is no factory in Belgium but in one of the neighboring countries which still reduces the cost of importing the product. Like Coca-Cola, Red Bull want the best of both worlds, reducing the cost and increasing the sales. (Red Bull Donne Des Ailes - RedBull.com, n.d.)

9.2 Consumer responses and perceptions

To know if the most successful brands are also actually performing good using their strategy it's good to do a couple of interviews of different Belgian consumers and to have an insight about their perception of the different American soft drink brands. This interviews took place through Teams and were done on men and women from various backgrounds : marketing students, international

business student, cinematography student, informatic student. The number of participants was of 10 as intended. The participants were aged between 19 and 29. So in this section I will go over the different answers the Belgian consumers gave me and synthesize them by extracting all the interesting information they shared with me.

For the first question, "Have you noticed American soft drink brands in the Belgian market?", all the participants answered yes and mentioned a couple, Coca Cola, Fanta, Ice Tea.

For the Second question, "Which American soft drink brands do you recognize?", all participants answered again Coca Cola, Fanta, Pepsi, Fanta

For the third question, "Do you have a preference for American soft drinks over local or other international brands? Why or why not?", some participants said they didn't have a preference being that they stopped drinking soft drinks, some told their perception of American soft drink is bad and unhealthy.

For the fourth question, "How do you perceive American soft drinks in terms of cultural fit with Belgium? Most people answered that the American soft drinks fitted well in the Belgian, one even went to say that not seeing American soft drinks in a store would be strange. None the less one participant said they didn't see the American soft drink fit better than other drinks but could explain why.

For the fifth question, "How important are factors like sustainability or health considerations when choosing soft drinks?", all participants said that the sustainable part of the product is something that impacts their choice less. For the health part some participants went to say that Soft drinks are just bad so they didn't bother to look the option that would seem the most healthiest for other they say it could impact their choice but that most more healthy options didn't taste that great so they still preferred the American ones.

For the sixth question, "Do you perceive American soft drinks differently in terms of health or sustainability?", all participants answered that they perceived American soft drinks as worst than any other drinks in terms of health.

For the seventh question, "Do you notice the difference in taste / packaging from American soft drinks that you believe would appeal more to Belgian consumers?", some participants stated that new flavours are always are always more attractive at first but that it rarely becomes their favourite one, it is just

nice to try something different but it always return to the basic flavour. Most of the participants didn't really know what to answer and didn't feel like new flavours would make the drinks more appealing. On other participant mentioned that he likes ginger ales flavour drinks but couldn't find any in Belgium saying that this flavour would appeal to the Belgian consumers.

For the nineth question, "Have you ever participated in or observed any partnerships or collaborations between American soft drink brands and local Belgian businesses or events ?, this question raised a lot of different answers I will go over a couple of them. One participant saw some coca cola stand during events like Defcon 1 or Master Of Hardcore. Another participant remembered Ice Tea organizing an event in Louvain-La-Neuve, Another one answered that he sees Coca-Cola being often present during every football game match with banners and advertisements.

For the tenth question, "Are there any specific distribution channels or retail locations where American soft drinks brands are more prominent or preferred in Belgium?", some participants responded that they usually saw American soft drinks in supermarket and that smaller store still have them but in lower quantity, the big supermarkets is where you will find most. Other participants responded that they view American soft drinks as a lower class of drinks and therefore are more found in gas stations or vending machines.

For the eleventh question, "Is there anything you believe American soft drink brands could do to improve their appeal in the Belgian market ?", most participants mentioned that the health stigma associated with them would be the major factor of consumer choosing other drinks, one participants mentioned decreasing the amount of sugar would be an important factor.

In summary, the first thing we notice is that all respondent are seeing the American soft drink very often, when going deeper on which brands they see the most we get Coca-Cola, Fanta, Ice Tea, Pepsi. All American brands very brands and well developed on the Belgian soft drink market. All the participants had the same answer when asking if they had a preference for American soft drink over local once, they all were concerned about the unhealthy aspect of American drinks when going deeper on this they all find it important to take into consideration the sustainability and Health consideration when buying a drink. All participants noticed a difference in taste and packaging when comparing

the products between the different countries they have visited but they all agree that the taste is mostly the same in Europe. Some of them didn't really know what other flavours would appeal more to the Belgian consumer, one suggested a ginger ale taste tasted in another country but he thinks it something the Belgian consumer would like. When talking about where they find the drink the most they all agreed on saying that the supermarket is the most common place where they find American soft drink. When asking what the American brands could do to improve their appeal on the Belgian market some propose to reduce the sugar content of the drinks and the others talk about working on the health consideration and sustainability, they believe this would increase their appeal even though most of them say that American soft drink are already embedded in the daily life of the Belgian consumers and that just showing some ad to remind the consumer that they still exist would be enough to increase sales again which is what the successful brands are doing for the moment.

All in all it was surprising to see that most people have the same perception of American soft drinks, it is also interesting to see that most of the people talk about the health consideration and that they all see the American soft drinks as bad but American soft drinks are still the most popular once when we ask which one they are used to buy.

10 RECOMMENDATIONS

10.1 Practical recommendations

Using the finding from the theory, the findings from analysing the most successful American soft drink and gathering the consumers recommendations and perception of American soft drinks this section will go over practical recommendations companies can apply to increase their success when expanding on the Belgian soft drink market.

We have seen at various occasions that the most successful brands use the same localization strategy, the “Transnational Strategy”, using this strategy is more recommended for already well established companies that already have some funds to sustain such expansion but we see that this is the way to go if you want to increase your success rate, a little reminder of what the “Transnational Strategy” consist of: in this strategy the company seeks the best balance between Global efficiency and Local responsiveness. The core of the business focus on a standardized base to reduce cost and increase efficiency but local subsidiaries are allowed to customize the product locally to make it more appealing to the local consumers.

We also see that the story of the company is important and has to be understood by locals, translating you website doesn’t only mean that local consumers are able to read it but it has to convey the same message then the one intended in the base language. Just translating will change the meaning of the message and won’t have the wanted effect on local consumers.

Another important aspect American soft drink brands don’t think about is the health and sustainability perception the consumers have about them. All the interview participants add the same speech, “In my mind American soft drink are very unhealthy”, so it’s important to address this by taking actions to make the soft drinks more healthy and inform the consumer about it, this will take time but will affect their perception in the long term. Sustainability is also an important factor, people are looking more and more from where the products are coming from and in which conditions they are made. Having all this clearly explained somewhere by the company and being more transparent will change people’s perception of the product.

10.2 Academic implications and contributions

This study made some contributions to the field of localization, both from a theoretical point of view and from an empirical perspective. In this section we will discuss the key academic implication and contributions of this research. This thesis highlighted the different paths companies can take when wanting to expand to the Belgian soft drink market and more specifically of American

soft drink brands wanting to expand to Belgium. We saw that some strategies worked better than others on the Belgian market. The consumer insights gave us valuable information about their perceptions and what American brand could change to be more appealing to the Belgian consumer. This thesis is a starting point to build upon, the valuable information gathered in the theoretical part and the interviews will allow future researcher to go deeper in the analysis of what specifically makes some strategies more effective than others and if the same process is applicable to other countries.

10.3 Areas for future research

While this thesis went over localization strategies for the American soft drink brands wanting to expand in the Belgian market, there are still multiple other path that research can explore to enrich our understanding and provide valuable insights for practitioners and other students.

There are a couple of ways to continue research further.

In-depth cultural analysis, this thesis analysed the Belgian consumer as a whole but there are still a lot of specific cultural elements that can be studied, for example the different subcultures, regional variation or historical factors that shape the preferences of the different Belgian consumers.

Long term study, this thesis only analysed the Belgian consumers and strategies on the short term which can be miss leading to uncover trends or patterns in the consumer behaviour. Doing a long term study tracking the evolution of consumer behaviour and preferences long term will provide a more accurate and dynamic result to uncover the trends that might not be immediately apparent.

Comparative analysis, this thesis focus on Belgium, comparing the localization strategies working in Belgium with other European markets or worldwide would offer a broader understanding the localization strategies working in multiple markets not only on the Belgian one and if those strategies keep their effectiveness independently from the different cultures.

Digital marketing, this thesis focused more on the view of the different American brands in the shops, doing further analysis on the increased influence of the digital platform through localization strategies is also a very important step in the expansions of business abroad.

Cross industry comparisons, this thesis focused on the soft drink market utilizing the results of this research to compare its effectiveness with other consumer goods industries could give insight into the differences and similarities in the localization strategies that businesses can use depending of their industry.

Experimental research, this research was primarily done with secondary data and primary data collected through interviews with Belgian consumers but was never tested in real life scenarios. Doing an experimental study manipulating key variables in localization campaigns will provide more insight into their impact on consumer preferences while deepening the understanding of the localization strategies.

Technological advancements, the localization strategies that were studied in this thesis are strategies that are not using the most recent technologies that are now available like AI, AR, VR. Studying their impact on the consumer can open the way to new strategies that could result in an increase on the consumer engagement.

In conclusion, there are a lot of areas that still need further research and this thesis is a good foundation to build upon and deepen our understanding of localization strategies on an international scale.

11 CONCLUSION

In this chapter we will first begin with a summary of all of the key findings that were made during this thesis and finish with the concluding remarks.

11.1 Summary of findings

In this section we will go over the key findings that you should remember before wanting to expand to the Belgium market.

In summary, there are numerous strategies that companies can use like the Global Strategy, the Transnational Strategy, the International Strategy. Every strategy has his pros and cons and to succeed you will have to find the right one for your company, the factors that are going to influence your choice will be the money you are ready to spend abroad, the size of your company, how much you want to allocate to research and development of new products,... Asking yourself all the right questions is what will be important before expanding. We saw that most of the most successful brands were using the Transnational Strategy but we have to take into consideration that those brands are huge so they have the funds to be able to invest in their expansion which a lot of smaller companies won't be able to do so it's important to think about the long term expansion and the evolution you want to achieve. You can start with one strategy and change to another one when you have enough funds. The most important realisation we have made during this thesis is that companies wanting to expand abroad not only in Belgium need to be able to adapt whenever they need to and the companies able to do so are the one that succeed. We also saw in the beginning of the theory that I went over the basics of marketing, Why ? Because independently from already having an established business somewhere else expanding is similar to beginning a new company you will have to redo what you did when beginning in the first country sure there are always resources or processes you can keep which will save you time and money but having in mind it's like starting a new business is the best way to start right from the beginning. The consumer behaviour, regulations. Are all different from one country to another so it's important to take all of that into account before stepping into a new market.

11.2 Concluding remarks

In this section I will go over a couple of final reflections and the implications of the findings.

Expanding abroad, in this case in Belgium, it's not something you can improvise, you have to prepare it and think about if it is worth it. Some businesses will try it and fail leading to bankruptcy so it's an important to keep this in mind before stepping into a new market.

Now that this is out of the way let's talk about expanding, the first thing you have to know when you go somewhere you don't know is that you can prepare as much as you want new factors will always appear from nowhere. Keeping this in mind it is important that when you went for a certain strategy you don't have to lock yourself in from other paths, your strategy can change along the way and actually the best strategy in the end will always be a combination of multiple strategies being able to adapt is what successful companies are capable in comparison to less or failing companies. This thesis went over a lot of different aspect of marketing to start from the foundation to more specific localization strategies and it's important to use this knowledge when making decisions. Reading this thesis give you a good foundation to expanding a soft drink business but we have to keep in mind that the research was done for American soft drink companies, the findings will be different depending from the country you expand from or the product you are selling so further research will be needed if any of those parameters are different but most of the basic knowledge as seen in the theory chapters will still be applicable to a certain extend.

12 SELF-REFLECTION

Yes, I think I was able to reach all the objectives of my thesis, I compared the Belgian brands with American ones, I was able to determine which strategies the American brands are using and its effect on their resulting success, I was able after the interviews and brand analysis to provide guidance to American companies or even other companies wanting to expand to Belgium on which strategies could suit them the most and my research gives a good foundation in internation branding strategies that researcher can build upon to have a

deeper understanding. So overall I think this research was able to highlight all of the desired objectives.

The selected method was actually the less restrictive one of all I could have used, being able to talk one to one with a person and let them say everything that they are thinking about is the best way to understand the underlying reasons of their answers which you would be able to get with other methods.

The bottlenecks encountered during the thesis are the fact that companies strategies are well guarded secrets so it is very difficult to know what strategies a company is using so I would say that this would be the most important bottleneck of the thesis, making me unable to know the little differences each company is doing in their strategy.

The ethical questions were solved by a couple of ways, asking the participants if they want to appear with their name in the research, making sure that the participants understand the purpose of the study, their role and their rights. Ensuring that the confidentiality of their data and safeguard, staying objective to the answers of the participants.

The new knowledge I found is first in the strategy of the companies, I haven't found information about researchers analysing companies strategies in the soft drink industry and even more so of American brand expanding to the Belgian market. Second I didn't find studies about which brands consumers are seeing the most in retail stores and too my surprise the brands that come to mind of the consumers were all American brands, when going deeper in other brands they remembered only one participant was able to recall a Belgian brand.

The results are convincing in couple of ways, the findings were made on basis of theoretical knowledge found by well-known professors, the findings were also supported by analysis of the brands and finally the findings were supported by the consumers that participated to the interviews. The result validity is supported with accurate knowledge and statistics, the participants were from various environments representing the global population thinking, the study finding are supported by theoretical knowledge. The results are reliable because there is consistency between the interview participants and the theoretical knowledge, the results should be repeatable if another researcher would want to redo the research again.

The results are usable for future research, as said multiple times in this thesis, this research is a great foundation to build upon, it started wide with basic knowledge applicable in any market than narrowed down to American soft drink brand expanding to the Belgian market, researchers could start from where they need and they go narrower in the specific market they are researching. The information gained during this thesis is fundamental for a lot of business wanting to expand, they have to know the basics before starting with more complex strategies.

This thesis compliance with the ethical ground rules, all the material has been references to provide the recognition to his author, the data recollected was kept confidential on a personal drive were only I have access to, the interview was done in an ethical way, this thesis didn't harm anyone. Overall the thesis respect all the ethical rules a thesis as to follow.

Being a good foundation for other studies, researcher could use this research to explore the strategies in other countries and compare if they are different from the one American brands use in Belgium, researchers could also go deeper in the understanding of why this strategies are the most effective with a psychologic approach. This research can lead to multiple other researches, not much has been researched on this topic from what I found so this could have a positive impact on our understanding of localization strategies that any company could be implement.

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14 APPENDIX

Questionnaire Impact localization strategies

1. Have you noticed American soft drink brands in the Belgian market ?
2. Which American soft drink brands do you recognize ?
3. Do you have a preference for American soft drinks over local or other international brands ? Why or why not ?
4. How do you perceive American soft drinks in terms of cultural fit with Belgium?
5. How important are factors like sustainability or health considerations when choosing soft drinks ?
6. Do you perceive American soft drinks differently in terms of health or sustainability?
7. Do you notice the difference in taste / packaging from American soft drink brands depending of the country ?
8. Are there any specific flavors or variations of American soft drinks that you believe would appeal more to Belgian consumers?
9. Have you ever participated in or observed any partnerships or collaborations between American soft drink brands and local Belgian businesses or events?
10. Are there any specific distribution channels or retail locations where American soft drink brands are more prominent or preferred in Belgium?
11. Is there anything you believe American soft drink brands could do to improve their appeal in the Belgian market ?

1. Avez-vous remarqué des marques de sodas américains sur le marché belge ?
2. Quelles marques de sodas américains reconnaissez-vous ?
3. Avez-vous une préférence pour les sodas américains par rapport aux marques locales ou d'autres marques internationales ? Pourquoi ou pourquoi pas ?
4. Comment percevez-vous les sodas américains en termes d'adaptation culturelle avec la Belgique ?
5. À quel point les facteurs tels que la durabilité ou les considérations liées à la santé sont-ils importants dans le choix des sodas ?
6. Percevez-vous les sodas américains différemment en termes de santé ou de durabilité ?
7. Remarquez-vous la différence de goût / d'emballage des marques de boissons gazeuses américaines selon le pays ?
8. Y a-t-il des saveurs ou des variations spécifiques des boissons gazeuses américaines que vous pensez attirer davantage les consommateurs belges ?
9. Avez-vous déjà participé à ou observé des partenariats ou des collaborations entre les marques de boissons gazeuses américaines et des entreprises ou événements locaux en Belgique ?
10. Y a-t-il des canaux de distribution spécifiques ou des emplacements de vente au détail où les marques de boissons gazeuses américaines sont plus importantes ou préférées en Belgique ?
11. Y a-t-il quelque chose que vous pensez que les marques de sodas américains pourraient faire pour améliorer leur attrait sur le marché belge ?