

BOOK REVIEWS

DIVERSITY IN EUROPEAN MARKETING

Paul-Marc Collin, IAE, Centre de Recherche Magellan, Université Jean Moulin, Lyon, France

T. Rudolph, B. B. Schlegelmilch, J. Franch, A. Bauer, J. N. Meise (Eds). Diversity in European Marketing. Texts and Cases.

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The book “Diversity in European Marketing” contributes to the knowledge and to the debate on European marketing and more specifically on the diversity of marketing frameworks and practices in Europe. A research agenda was established among the scholars of the CEMS Marketing Faculty Group regarding Marketing Challenges in a Diverse European Market. The book offers non-traditional perspective to European Marketing through interpretation of cases studies as well as through the relevant theory.

The contributions by twenty authors are grouped into three main parts. The first part contains articles dealing with the targeting diverse demographics and managing structural diversity in Europe. The second part deals with acknowledging and managing diversity in consumer behaviour in Europe. Finally, the third part deals with responding to diverse marketing environments and managing diversity in Europe.

The book is written to be accessible to Master and PhD students willing to pursue a career

in marketing and related domains, managers involved in diverse marketing issues such as product and brand managers, retail category managers, supply chain managers or communications and public relations managers. The book puts practices in perspective and draws some academic lessons by discussing marketing literature in relation to field observations and secondary information collection.

In the first chapter “Migration and Minorities in Europe” issues such as migration and catering to ethnic minorities are illustrated with case study of Deutsch Bank’s subsidiary Bankamiz and the fast food chain KFC in France. Acculturation process and the concept of ethnic marketing are the main theoretical approaches used in this chapter. The second chapter is dedicated to the problem of fighting against social isolation. The text addresses ageing consumers and provides the case of Bazile Telecom offering simple communications solutions to elder customers. The third chapter named “Changing Media Regulation in Europe: VIASAT3 in Hungary” shows

how to deal with changing and incongruent media regulations. This is illustrated by the case of the TV station VIASAT 3 in Hungary. The first part closes with the fourth chapter on managing early and mature markets and a case on the banking industry, focusing on the UniCredit Group.

The second part of the book pertains to acknowledging and managing diversity in consumer behaviour in Europe.

Of particular interest is the fifth chapter “Nostalgic Branding in Central Europe”, the contribution by Petr Král, a Senior Lecturer at University of Economics, Prague - VSE. As Deputy Head for corporate cooperation at the Department of International Trade he is responsible for tutoring business as well as research projects with leading companies such as L'Oréal, Skoda or 3M. The paper deals with Nostalgic Branding in Central Europe, illustrated by the Kofola case study. According to the Industrial property Office, the Kofola brand does not belong to everyone. The author starts with refreshing our memory with the context of the Velvet Revolution in 1989 in Czechoslovakia. At that time the brand Kofola almost disappeared from the market. This case provides an opportunity for mobilizing the concepts of Nostalgia and Retro branding. P. Král agrees that these are not just Central and Eastern European phenomena. Some authors argue that this is a typical phenomenon for the turn of centuries. Classic brands bring the consumers back to the good old times (Brown Kozinets and Sherry, 2003). Regardless of personal or communal nostalgia consumers start to buy products of their youth. Generation Y consumers purchase retro brands to feel the cool things of their parent's generation with technology of today.

For further research, it could be relevant to consider retro brands and new embedded technologies and identify thought provoking case studies to be analyzed and compared. Good examples under review include the New

Beetle by Volkswagen, Mini by BMW, or the new Fiat 500. The risk for marketers is lower than introducing a brand new product.

For the author, the general model of brand equity may be applied to retro brands to show the benefits an old brand may bring when launching a new product (Machková, Lhotáková, Král, 2010 and Aaker, 1995). What is interesting in this article is to look back at the role of brands in communist times and to compare it with today. The brand was publicly known, its function was to identify a product. Several factories could even produce under the same brand. One brand could become the generic name for a category of products. Jar, a brand name of Czech washing detergent today produced by Procter and Gamble, is still used today as a general name for the whole category of product. Companies were not forced to invest in brands.

Obviously, the situation changed after the fall of the Iron Curtain. Consumers took advantage of the variety of western brands offered on the market. Consumers generally perceived local brands as old fashioned. Local producers did not have the expertise to build a brand. Many local brands disappeared. Also, some local brands were taken over through privatization process, such as Skoda Auto as a member of the Volkswagen group. At the end of the 1990s, Central European markets were already dominated by global brands. Branding was still relatively underdeveloped and brand listings were based on experts' opinions, not on statistics.

But at the end of the 1990s, attitudes of consumers started to change. First of all, quality of western products was not found as positive as expected. Moreover, attitudes towards their own countries changed also. They felt obliged to support their home economy. This is an interesting point somewhat connected to the issue of the “Made In”, which surprisingly reappears in times of globalization. Finally local producers started to get organi-

zed to compete with multinational corporations. They revived old brands.

The article, after presenting the situation in East Germany with the famous “Ostalgia” and the Czech Republic, focuses on the case study of the Kofola as a revived brand. In East Germany, change was abrupt. Local brands lost their appeal overnight. No language barrier existed between East and West Germany. The retailers did not want to support local brands anymore. The nostalgia trend in East Germany was driven by older consumers, which makes it difficult to sustain. In the Czech Republic, the main competitive advantage of local brands was their lower price. But the example of a Czech watch company PRIM which introduced a one to one marketing approach to customers shows good practice of repositioning of the local brand. Each customer could choose the material that the PRIM watch will be made of. The brand gave an individualized platinum watch to the Czech President Vaclav Klaus.

This product Kofola dates back from 1962 with the Kofi-Syrup. The author believes that this brand could be used as a benchmark of a successful Central European company that used the nostalgia to start again and develop its strategy continuously in order to become a real market leader. The comeback of Kofola started in 2000, when the company Santa nápoje acquired the license for the drink. The brand was bought for 8 million euros. TV was chosen for the advertising campaign to show the ambition of the company. Today, Kofola is the most popular Czech brand.

The sixth chapter addresses diversity in European retailing and outlines the history and challenges of the German hard-discounter Aldi in the United Kingdom. The seventh chapter “Private Label Strategies in Europe” is illustra-

ted by insights into the private label strategy of the Belgian supermarket distribution chain Delhaize. The eight chapter “The Consumer as a Co-producer and Prosumer: Convenience Food Marketing” is showing how the Norwegian food producer Toro empowers its consumers to become co-producers of their convenience food by using so called I-made-it-myself effect.

The third part of the publication deals with how to respond to diverse marketing environments and how to manage such diversity.

The ninth chapter (first chapter of third part) tells us how today’s companies are often using the clusters, explains the role of regional headquarters and presents the case of Puma, the sports company. The tenth chapter deals with managing consumer experiences and provides two cases on design as a solution for transformation. The eleventh chapter “European Market Entry” is illustrated by the case of the Swedish market leader in dairy farming and automatic DeLaval. The twelfth chapter “Growing with the Wind: The Case of Vestas” addresses the important issue of renewable energy, and provides the case of the successful Danish company Vestas Wind Systems.

To conclude, this book provides a rich and contrasted view about European marketing with its strengths and weaknesses: the contributions are as diverse as their authors, coming from as many countries as chapters. Each chapter provides a detailed bibliography including reference books as well as academic articles. Each chapter makes sure that updated figures are presented and historical background explained. Altogether, the book presents a comprehensive perspective on the Diversity in European Marketing, including updated references, and pragmatic case studies.