Brand Translation and Country of Origin Advertising in the Jeans Market in Latin America

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BRAND TRANSLATION AND COUNTRY OF ORIGIN ADVERTISING IN THE JEANS MARKET IN LATIN AMERICA

by
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A thesis submitted to the faculty of the University of Mississippi in partial fulfillment of the requirements for completion of the Bachelor of Arts Degree in International Studies.

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ABSTRACT

ELSON STEWART: BRAND TRANSLATION AND COUNTRY OF ORIGIN ADVERTISING IN THE JEANS MARKET IN LATIN AMERICA
(Under the direction of Dr. David Fragoso Gonzalez)

As more firms decide to operate globally as a means of survival and growth, they must be prepared to understand the language and culture of their new target markets. This study aims to examine why firms may or may not translate their brand name and use country of origin advertising. Furthermore, this study aims to explain if economic and demographic factors have any effect on whether or not American firms may use certain marketing strategies. Findings in this study suggest that American firms are likely to be more active in Latin American countries with higher GDP PPP per capita, English proficiency levels, literacy rate, percent of the population using the Internet, and equality.
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INTRODUCTION

One of the most important parts of ensuring that a product is successful abroad is making sure the marketing strategy resonates with consumers. One aspect that affects the probability of success is how the marketer utilizes language and culture in his global strategy. This thesis specifically focuses on brand linguistics, and within that field on brand translation and country of origin advertising. I define brand translation as whether or not a company chooses to translate its brand name to the native language of its foreign target market. Brand translation could be a direct translation, something that sounds similar to the original name, or a name with a similar meaning. Country of origin advertising is defined as an advertisement in which the company includes the country where the product originated. Country of origin advertising, then, inherently guides consumers to associate the product with positive or negative images and perceptions that he may already have of the country. Appropriate strategies in these two areas can greatly contribute to a product’s success in another country and should be heavily considered by global marketers. Given my proficiency in Spanish and interest in Latin America, I decided to examine the marketing strategies used in the region by several large American firms. Given the previous information, my research questions are as follows:

1. Under which circumstances and how do companies translate their brand names in Latin America?
2. Is it more effective to translate a brand’s name to Spanish or to keep it in English for the Latin American market?

3. Should companies include or omit a country of origin message in an advertisement targeting the Latin American market?

To investigate these questions, first I examined the patterns and presence of the top five firms by market share of jeans in the United States and their actions in Latin America. I examined six aspects of each firm that make up their marketing strategy: their physical presence in each country, brand translation, country of origin advertising, price, website, social media, and if English was used as a marketing strategy. The use of English proved to be popular for jeans companies operating across Latin America. Brand name translation was not common, but product name translation was. Country of origin advertising was only used inherently by American Eagle. Furthermore, I created a survey to send to universities in Chile and Peru. The survey was only completed in Peru due to political unrest in Chile at the time, but only received nineteen responses. The survey included four advertisements that presented different combinations of a fictitious brand name in Spanish or English, and that included or excluded a country of origin slogan. The same six questions were then presented to each respondent to measure the effectiveness of the four combinations on purchase intention.

The work regarding the actual decisions that companies make in foreign countries regarding jeans demonstrates the importance of language and culture in marketing and advertising by directly studying firms’ decisions abroad. Consumers interpret
advertisements in a variety of different ways, and the global marketer’s job is to identify the most effective marketing strategy that resonates best with consumers. While most of the firms use English for marketing purposes on social media and their websites, they also translated the majority of the content on the websites to Spanish, defined as anything absolutely necessary that the consumer fully understand (i.e. Declaration of Privacy, Shipping and Returns Policy).

Two widely-used strategies that emerged from this investigation were the concepts of product translation and foreign brand association, each of which I termed myself. Product translation occurred when companies translated the type of jean shown on the website. For example, American Eagle translates “wide-leg jeans” to “jeans de pierna ancha.” It is interesting though, that no company actually translates the word “jeans,” which must mean that the English word has become a part of everyday vocabulary in many Latin American countries. Foreign brand association occurred when an American company added the target country name after its own brand name on a website, Instagram account or Facebook page. For example, Levi’s in Chile has an Instagram page that displays “Levi’s Chile” at the top of the page.

While the product itself, graphic design, public relations, and other aspects are important to marketing a product in another country, culture and language matter a great deal as well. Culture and language resonate more intimately with consumers; thus, global marketers should devote considerable efforts to developing a marketing campaign that carefully considers these important aspects.
CHAPTER 1: GLOBAL BRAND NAME DECISIONS, LANGUAGE, AND CULTURE

Recent publicized global marketing fails have very obviously answered the question, “Do language and culture play an important role in global marketing?” Language and culture are critical but sometimes overlooked aspects of marketing strategy. Lack of knowledge, understanding, and awareness of local language and culture on the part of the global marketer can lead to flat campaigns that do not resonate positively with the target market, or worse, have inappropriate or negative connotations in other countries. This prompts an additional question: “How important are country of origin advertising and brand translation for a product introduced to a foreign market?”.

These two strategies, country of origin advertising and brand translation, fall into the category of brand linguistics. The field of brand linguistics combines psychological, social, and emotional components of language to study marketing strategy and related topics. Decisions regarding brand translation and country of origin advertising require extensive research into the culture and language of the potential foreign market. General and global branding techniques and background are also important for the global marketer to note.

When launching an existing product into a new international market, global marketers usually take either an ethnocentric or polycentric approach. This orientation determines in large part whether a company will use brand translation or country of origin advertising. In an ethnocentric approach, the marketer relies on the already functioning domestic strategy and then transfers it to the international market (Keegan
A polycentric approach signifies that the marketer alters his strategy when targeting foreign markets (Keegan 19). The popular phrase, “think globally, act locally” encompasses the logic of these two market orientations. In order to be successful, a global marketer must think broadly about which potential markets he could enter, but then implement a unique marketing strategy that resonates with consumers there.

Cornelius DeKluyver, in his book “Fundamentals of Global Strategy,” describes the global branding process. He asserts that the company should first develop the “heart and soul” of the brand, its values, and its overall evocative feelings (DeKluyver 139). Then, the decisions in branding the product must reflect those core values through words, ideas, and music (DeKluyver 139). Many strategies are used by the global marketer to help make a brand more relatable to a market. One of which is segmenting the market (DeKluyver 149). For example, firms may segment their target markets by consumer type, region, country or other dividers depending on the product (DeKluyver 149). For Latin America, a marketer could target the region as a whole, countries with cultural similarities like Central America, the Andean countries, and the Southern Cone countries, or each country separately, thus creating more specific segments.

Further, a brand’s strategy can be determined by three factors: firm-based characteristics, product-market characteristics, and underlying market dynamics (DeKluyver 145). Firm-based characteristics are the diversity of the products, the administrative heritage, and the corporate identity of the company (DeKluyver 146-147). They determine if the company is equipped to enter an international market and if the
products are likely to succeed in a foreign market. Product-market characteristics include
the nature and scope of the target market, whether or not the product has cultural
associations, and how competitive the market structure is for that product (149).
Underlying market dynamics have been influenced by the recent globalization and
growing economic and political integration (DeKluyver 152). Increasing integration
creates a more welcoming business climate for firms looking to expand internationally.
Firms can more easily expand and gain recognition because globalization has also
facilitated the movement of people across borders. This repercussion of globalization
means that people are more easily exposed to other brands if they travel, allowing brands
to garner more international recognition (DeKluyver 153).

DeKluyver also highlights a strategy for measuring the strength of a global brand.
Interbrand, an international marketing consultancy, developed a scale to measure the
strength of an international brand (DeKluyver 157). First, there must be substantial and
publicly available financial information about the brand (DeKluyver 157). Second, one-
third of total revenues must originate outside of the home country (DeKluyver 157).
Additionally, the brand must be positioned to play a significant role in the consumer’s
purchase decision (DeKluyver 157). The Economic Value Added should be positive to
show that the revenue covers the operating costs of the firm (DeKluyver 157). Finally,
the brand must have a broad public profile and awareness (DeKluyver 157). In addition
to the previously explained general aspects of global branding, language and culture
matter a great deal. Firms need a full awareness of the language, culture, and customs of the foreign market they choose to enter.

The culture of the foreign market is crucial to successful global marketing. Countries and the regions within them have unique cultures. Even small differences in culture across countries can cause a brand to fail if not considered. Culture is typically defined as a shared group of beliefs, attitudes, and behaviors of a certain group of people. Culture determines preferences, which is one reason why it should be so important to global marketers. In general, cultural values represent implicit or explicit ideas about what is acceptable and desirable in society (Keh 1347). Obviously, firms should avoid offensive or inappropriate phrases, colors, songs, or other techniques when marketing their product to a foreign market, but more specifically, should employ techniques that will strongly resonate with foreign markets. An important idea to note is that if a product is associated closely with a local culture, its chances of performing well on the global stage are slim (DeKluyver 149). For example, peanut butter is a product with a strong American cultural identity. In grocery stores in America, there are various types, flavors, and sizes of jars of peanut butter. The product is even sold at many convenience stores and gas stations across the country. When one takes a trip to South America, peanut butter is virtually non-existent. From personal experience, some Chileans do not know what peanut butter is. However, in Chile “manjar” enjoys the same fame that peanut butter does in the United States. The sweet, dulce de leche-like spread boasts its own section in grocery stores and convenience stores there, while peanut butter can only be
found on a lucky day. So products with strong local ties like manjar and peanut butter take a great deal of marketing strategy to succeed on the global stage. This example also highlights the importance of knowledge as the first step to brand recognition. Chileans have little knowledge of what peanut butter is and the extent of its popularity in the United States, and much less could recognize a well-known brand. Thus, a firm wanting to launch a strongly culturally associated product to a foreign market should be aware of the difficulties of that task, or could de-emphasize cultural ties in order to perform well on the global stage.

Flexibility when marketing a product is also important, as even small changes between market segments can be detrimental to a brand’s success (DeKluyver 149). For example, if a Chilean manjar producer wanted to launch its product to the Argentinian market, a good deal of planning would be required because Argentina boasts its own similar product, dulce de leche. Sometimes, products have such a strong cultural association that a rivalry ensues; for example, the origin of the popular Latin American liquor, pisco, is disputed between Chile and Peru. The rivalry is so strong, in fact, that Peruvian customs do not allow bottles of pisco with a different country of origin on the label (IATA). There is a growing movement in Chile to ban Peruvian pisco to cross its borders as well (Kulp 1). This example demonstrates the concept of pride in national goods. A phenomenon called “culture-mixing” has also recently become popular due to globalization and can be seen in global marketing as well. For example, fusion food or advertisements highlighting multiple cultures are becoming increasingly commonplace.
Firms should be cautious however, because oftentimes culture-mixing in advertisements and products can be negative (Keh 1346). Hean Keh, the author of a study on young Chinese consumers’ reactions to culture-mixing and brand translations provides the example of a cappuccino machine sold by Japanese megafirm Sony. This product mixes a typically Italian-associated product with the technology typically associated with Japanese televisions and gaming systems. The dissension produced means that a Sony cappuccino machine may not perform well on the global stage. Flexibility means branding a product strategically and possibly differently for different target markets to ensure its success. The marketing strategy must be flexible in order to encompass different cultural traditions, preferences, and languages.

Language is the most obvious difference between domestic marketing and global marketing (Bloch 28). The use of language in global marketing is complex and must be carefully studied before making decisions, as language obviously produces and transmits meaning and global marketers want that meaning to be positive (Chidlow 562). Additionally, the language used can transmit important cultural messages to consumers, intertwining language and culture in this field (Keh 1347). Language is at the core of branding and determines how a consumer thinks about and views a brand (Carnevale 573). The name of a brand is sometimes the first aspect of the product that a consumer comes into contact with, thus creating an immediate impression on the consumer regarding the product. There are two distinct strategies of language use in branding
internationally and some studies suggest that marketers should decide which to use based on the type of product they sell.

The first strategy revolves around familiarity. Since local language is obviously familiar, sometimes it could be beneficial for a firm to build on those already positive and existing words to create an initial positive image of the firm (Zhang 313). Additionally, a study on e-negotiation found that using a non-native language to negotiate online disputes could decrease the accuracy of the negotiation (Lai 537). The use of non-native language also proved to make developing cooperative relationships more difficult (Lai 538). Further, people could potentially feel anxious or uncomfortable when using a non-native language (Lai 538). While these findings were discovered through a study on e-negotiation, the findings can apply to global marketing. If a consumer cannot pronounce or understand a brand name, there could arise a certain sense of unfamiliarity and even distrust that would make the same product with a more familiar name the more advantageous option. Feeling anxious or uncomfortable about a product due to the language of the brand name could also make the native language a better option. In a study conducted in China, “Global Marketers’ Dilemma: Whether to Translate the Brand Name into Local Language,” the authors found that the degree of hedonism associated with the product was a large determinant of whether or not the brand name should be translated to Chinese or not (Chow 26). The study predicted and supported that when the product had a low degree of hedonism, that purchase intention would be higher if the brand name was in local language (Chow 27). This phenomenon occurs because local
language enhances familiarity and trust between consumer and product for low-involvement, or utilitarian products (Chow 34).

The second strategy is also supported and highlighted by the Chinese study. The study found the opposite for high-involvement, hedonistic products. The study supported their hypothesis that when hedonism is high, purchase intention will be higher when translation is absent (Chow 32). In China, Western products are associated with high quality and luxury, like French wine (Chow 25). America, Europe, and even the West in general are romanticized in the media and movies, making a brand with an English or other Western language name seem more attractive. In relation to Latin America, brands with a Spanish name could produce more familiarity and trust of the product, whereas a product with an English name could produce associations with the idea of the American dream or a more sophisticated, luxury item.

There are other parts of language that are important to consider when creating the marketing strategy for a product. For example, the spelling of a brand can influence how the consumer remembers the brand (Carnevale 574). A slightly different spelling, a rhyme, or the pronunciation of the brand name can help make it more memorable to consumers (Carnevale 577). Brands can also evoke emotional connections by the words and tone they choose to employ (Carnevale 577). Another important, but often overlooked aspect of language in branding, is the level of language proficiency of the foreign market. This idea connects with the first strategy mentioned, because if a consumer has no understanding or knowledge of a certain foreign language, the
unfamiliarity could be so high that the product is completely unattractive and unknown to consumers.

To summarize, culture and language play crucial roles in a product’s success abroad. Global marketers must consider cultural trends including technology use, understanding of other cultures, consumer preferences, religion, language proficiency, and more. Language can be used to either provide a sense of international luxury and attractiveness, or a sense of familiarity. In order to be successful in a foreign market, global marketers must first determine local preferences and norms, and then alter their marketing strategy to cater to those preferences. The correct implementation of language is crucial as well. Global marketers should consider these aspects when deciding how to brand a product for a foreign market.
CHAPTER 2: COUNTRY OF ORIGIN ADVERTISING AND BRAND TRANSLATION

It is important to make note of previous research done on the two central topics of this thesis, country of origin advertising and brand translation. Country of origin advertising is a form of advertising that creates product-country associations that become images in the mind of the consumer (Verlegh 128). Because country of origin advertising includes a country name, it influences consumers’ perceptions of a product, specifically according to what they already believe about the country associated with the product (Verlegh 128). Therefore, the first and most obvious tenant of country of origin advertising is that if a consumer or market has a favorable perception of a country, marketers should match that perception (Brodie 322). When the perception of the firm’s country is favorable, including the country of origin on an advertisement could be favorable. This decision could depend on the nature of the product, current political and economic issues and other factors. On the other hand, if a consumer or market has an unfavorable perception of a country, marketers should de-emphasize that correlation (Brodie 322). For example, if perceptions of the United States in Chile are very negative, an American firm could omit a country of origin slogan, but keep English in the advertisement; therefore, the advertisement could be from the United States, Great Britain, Ireland, Australia, or even a foreign firm that adopts the use of English. Country of origin information spreads through word-of-mouth, but also through advertisements.
Consumers gather information according to the advertisements and use that information to then make decisions and form perceptions about the product.

At its most effective, country of origin advertising can be used to emphasize a product with a strong, positive connection to a particular region (Brodie 322). For example, true champagne has to come from Champagne, France. Typically, champagne garners a positive reaction from consumers and is seen as a luxury item, thus warranting a strong country of origin association. A regional advantage usually stems from resources and expertise in the field and region (Verlegh 323). Again, champagne serves as a perfect example because the specific kind of grape thrives in the region of Champagne. Grape-growers, and wine-makers have obviously refined their expertise. Whether warranted or not, Champagne wine-makers have garnered a reputation for a certain quality consistent with their particular wine. Specific regional associations that are stronger than average lead to geographical indicators. Any landmark, fragrance, food or other easily identifiable thing that specifically associates an area to a product or service can be classified as a geographical indicator (Brodie 326).

In addition, imported products are crucial to this element of brand linguistics (Brodie 323). Often, a product imported from another country adds to a consumer’s perceptions of the country. The interaction thus creates an impression of that country, thus making the consumer more or less inclined to have a positive association with the foreign country. Historical factors could also influence the use of country of origin advertising. For example, one factor of Latin American history that could influence
country of origin marketing for American firms there is the United States government’s involvement in Latin America. Historically, the United States, specifically the CIA, has been very involved in the politics of countries in Latin America. The CIA helped to install dictator Agosto Pinochet in Chile and supported dictatorships in other countries. Under the rule of the dictators, many citizens were tortured, kidnapped and killed. If this involvement is viewed as negative and is a conscious thought in Latin American consumers’ minds, they may have an unfavorable association with the United States. On the other hand, the romanticizing of the West has made popular the idea of the American dream. The American dream has been romanticized in media and movies possibly providing a positive perception of the United States for Latin Americans and people all around the world. These two factors could be investigated by global marketers in order to make an informed decision about whether or not to employ country of origin advertising or brand translation.

Marketers can follow several different strategies to translate their brand to the target language or leave it in the original language. One strategy, standardization, is when the company decides to use the same brand name for every additional market (Chow 26). Another strategy is adaptation, when a company decides to translate the brand name, usually directly for the different markets it chooses to enter; however, the effects of this strategy can sometimes be detrimental as brand names do not often carry pleasant connotations in the foreign target market (Chow 26).
One important factor that should influence which strategy the company uses is the level of hedonism or familiarity the product carries. For example, luxury and iconic fashion brands like Chanel rarely translate their actual brand name for foreign markets (Chow 27). Chow’s study, “Global Marketer’s Dilemma: Whether to Translate the Brand Name Into Local Language,” found that when hedonistic, luxury brands actually suffered from lower purchase intention from consumers when they translated their brand names to Chinese. For example, the name Chanel carries weight around the world and is fully associated with French couture fashion. The degree of foreignness that the name Chanel portrays is well-known enough that the company does not have to translate its name, because part of the reason it is so attractive in the first place is the level of foreign attractiveness it portrays. However, a company that manufactures paper towels may translate their brand name because familiarity and trust are more important regarding household items (Chow 27).

One study found that purchase intention remains high for products positioned as hedonistic when the level of foreignness is maintained, in other words, when translation is absent (Chow 34). The same study found that for products positioned as utilitarian, purchase intention was higher when translation was present and the level of foreignness was diluted (Chow 34). This phenomenon is mainly due to the fact that consumers feel trust and familiarity with day to day products and thus their own language, while they feel allure to foreign products and thus foreign language.
The studies that influenced the investigative work for this thesis were two global marketing studies. The first, “Global Marketers' Dilemma: Whether to Translate the Brand Name into Local Language” studies Chinese consumers’ reactions to fictitious brand names for utilitarian and hedonistic products when the brand name was either translated to Chinese or kept in English. As mentioned earlier, the study found that for hedonistic products, purchase intention was higher for products with no brand translation, but for utilitarian products, purchase intention was higher for products whose brand name was translated into the local language (Chow 27). The second study was conducted in Brazil and measured purchase intention for the presence or absence of brand translation and country of origin advertising. The study produced a survey that asked six questions based on four different advertisements to see which versions led to higher purchase intention for buyers. The study found that Brazilians have high purchase intentions for a fictitious brand in English, probably because the brand presents itself as more chic and stylish than a Brazilian equivalent (Porto 620).

To summarize, previous literature has concluded that for hedonistic products, the original foreign name usually creates higher purchase intention in foreign markets. On the other hand, for a more utilitarian product, a familiar name in the target language usually creates higher purchase intention because language familiarity builds trust between consumer and brand.
CHAPTER 3: THE ENVIRONMENT OF LATIN AMERICA

There has been very little research conducted in the field of brand linguistics in Latin America. The lack of research conducted in Latin America is surprising as the population is over 600 million and the GDP over 5 trillion US dollars (World Bank). One would think that this area would be prioritized because countries like Argentina, Chile, and Mexico (and Brazil, though not a Spanish-speaking country) have relatively large economies with potential for great growth. The reason for the lack of research in Latin America is due to several difficulties that marketers encounter there. A study conducted by Fernando Fastoso and Jeryl Whitelock called “Why is so little marketing research on Latin America published in high quality journals and what can we do about it?” found that many Latin American markets are classified as emerging markets, and research proves to be difficult in emerging markets because of a lack of marketing research resources and understanding of its importance (Fastoso 436). The authors also found that a lack of research networks, low response rates, and lack of support for research studies contributed to the small quantity of research done in Latin America (Fastoso 440). That there have been low response rates in Latin America could partially explain why my own survey received such few responses. Additionally, the authors found that major researchers do not seem interested in conducting research in Latin America. In fact, a staggering 86% of marketing research is conducted in Europe, Japan, and the United States (Fastoso 435).
To explain the environment of Latin America in which companies are making brand decisions, I created a table that highlights nine characteristics of each Latin American country that could directly influence global branding and marketing decisions. The table is split into two sections, economic and demographic and includes the following characteristics:

- **Economic**
  - GDP (2018)
  - Gini coefficient
  - GDP per capita PPP, current $US
  - GDP Growth

- **Socio-Demographic**
  - Total Population (2018)
  - English Proficiency Score (EPI)
  - Perceptions of the United States
  - Literacy Rates
  - Percent of the Population Using the Internet

Of particular interest are the English proficiency score and the perceptions of the United States, as they may affect the success of American firms’ strategies. Since this thesis is conducted from the viewpoint of an American firm, if an American firm used country of origin advertising in English for a country with a very low level of English proficiency, there is potential for a poor reaction. A lower level of English proficiency could
potentially hurt American firms if they utilize English in their advertisements. On the other hand, oftentimes people may know popular terms or phrases in English and could be able to decipher such language in an advertisement; combined with a favorable perception of the United States, this could benefit American firms. Perceptions of the United States is of particular interest as well because if a consumer saw an advertisement with a strong tie to the United States, but had an unfavorable view of the United States, that consumer may be less inclined to buy the product. Furthermore and on a larger scale, if there are many consumers who feel the same way, the firm may need to omit a country of origin message in their advertisements. Important to keep in mind, is that the perceptions of the United States section is probably based on the United States government and may not carry over to American product perceptions by foreign consumers.

There are several interesting findings that could influence an American firm’s success in a Spanish-speaking country. Population ranges from 3,449,299 in Uruguay to 126,190,788 in Mexico. Argentina has the highest level of English proficiency, followed by Costa Rica, while Ecuador has the lowest level. Mexico has the most unfavorable perception of the United States at 61% unfavorable in (2018). In 2002 Honduras had a very low unfavorable perception of the United States at 5%. Literacy rates are generally higher in the Southern Cone with Cuba having the highest rate at 99.75%. Nicaragua has the lowest literacy rate at 78%. The percentage of the population using the internet is very low in Nicaragua at only 27.9% in 2017, but highest in Chile at 82.3%. In general, the
Southern Cone countries, Argentina, Chile, Uruguay, and sometimes Paraguay appear more developed and specifically have higher levels of English proficiency, literacy rates, and percent of the population using the Internet. Chile, Argentina, and Mexico have especially unfavorable perceptions of the United States, which should be considered in a company’s decision to use country of origin marketing in any of these countries.

The findings in the economic section are telling as well. According to the CIA’s World Factbook information, Paraguay is the most unequal country and El Salvador is the most equal. GDP per capita in PPP in current US dollars was also measured. Panama has the highest GDP PPP at $25,509, and Venezuela has the lowest GDP PPP at $4,500. In 2018, the Dominican Republic had a GDP growth of 7%, and Nicaragua had a decline in GDP growth of 3.8%. I primarily analyzed the economic data to be able to compare which American firms operate in which countries and the correlation between their marketing strategy and economic situation.

Furthermore, I used a tier system to divide the countries into four tiers based on individual scores. I chose to analyze GDP, Gini coefficient, EPI, literacy rate, and percent of population using the Internet. I chose these five factors because I felt that they would most accurately describe the level of advancement in any given society. For each category I divided the country’s numerical value by the largest numerical value in the category and then multiplied by ten. For example, for GDP, I divided each country’s GDP by Mexico’s GDP because Mexico had the largest GDP. Therefore, Mexico received a score of ten in the GDP category, while Nicaragua received a score of 0.11. I
then added each country’s categorical score to get a final score out of fifty. I then divided the countries into tiers based on the natural breaks in the scores.

The top tier countries are Chile, Argentina, Uruguay, Costa Rica, and Panama. The top-mid countries are the Dominican Republic, Mexico, Paraguay, and Colombia. The bottom-mid countries are Peru, Venezuela, Ecuador, Guatemala. The bottom-tier countries are El Salvador, Bolivia, Honduras, and Nicaragua.

This system will help compare the marketing strategies of each American firm in the countries to see if there are any correlations between strategy and tier. However, the system is arbitrary and one can see several discrepancies. For example, Cuba is not included in the analysis because I could not find data on its Gini coefficient. Venezuela (sensitive to the year you choose) is considered a bottom-mid country, which may not accurately reflect a reality of political and economic unrest. Other factors could have affected the scores as well, for example some of the literacy rate scores came from UNESCO while the rest of the scores came from the World Bank database.
CHAPTER 4: THE REALITY OF AMERICAN FIRMS IN LATIN AMERICA:

METHODOLOGY AND RESULTS

Introduction and Research Question:

This chapter looks at how American firms act in Latin American markets. I start by studying the strategies that top American firms use to market jeans in South America. I seek to answer the following questions:

1. What do American firms actually do when marketing their products to Latin American markets?
2. Do American firms translate the brand name or keep it in English?
3. Do American firms include or omit a country of origin message?
4. Do American firms use English as a marketing strategy in Latin America?

Methodology:

First, I identified the top five American brands for jeans by market share in the United States by viewing a statistics website that explained the market share percentages for jeans in the United States. The actual market share research data is only available for purchase online, but from the basic search, the top five American brands identified by market share are Levi’s, Walmart, Wrangler, American Eagle, and Old Navy (Statista). For each brand, I measured six aspects to gain an overall perspective of their presence and marketing strategies for Latin America:

- Presence in Latin America
- Brand translation
○ Country of origin advertising
○ Social media presence
○ Price of jeans
○ English used as a marketing tool

To determine these six factors, I first conducted an Internet search to determine if the firm had a presence in each country in South America either through number of physical stores or the presence of international shipping. Then I identified whether the firm had a dedicated website, an Instagram account, or a Facebook page specific to that country. By examining their online presence in Latin American countries, I was able to determine whether brand translation or country of origin advertising was present. I defined brand translation as whether or not the firm chose to translate the word “jeans” or the actual name of their brand. I defined country of origin advertising as whether or not any picture or graphic on the website or social media mentioned a country of origin for the product. Additionally, if the company listed prices, I examined the price of a pair of men’s straight-leg normal wash denim jeans to compare across brands. I used a currency converter to convert the other country’s currency to US dollars to have more comparable prices. Finally, I examined the website to determine if the company used English as a marketing tool on their website. To classify as a marketing tool, the purpose of the use of English used had to be for a non-practical message to the consumer. Most of the time, the English used was short phrases or hashtags. The different strategies that the different companies use will show their marketing orientations and possibly hint at their approach
to Latin American markets. Since I am primarily looking at the different strategies that companies use and how they attempt to create brand equity in another region, I will discuss the findings of the study by company instead of country. I have also chosen to discuss the findings in this manner because in many countries certain companies do not have a presence at all.

Levi’s:

Levi’s has a presence in every country and its largest presence is in Argentina with more than sixty stores. Out of all the companies represented, Levi’s has the strongest and most consistent presence in Latin America. Levi’s has a considerable amount of stores in Bolivia, Chile, Panama, Colombia, Uruguay, and Venezuela, more stores total than any other brand that was researched besides Walmart. The only two countries that Levi’s does not operate in are Cuba and the Dominican Republic. Data for Venezuela, Guatemala, and Honduras is hard to find in general, so the information for those countries may be more easily found in-country than online. For brand translation, Levi’s does not translate its brand or the word jeans on any social media outlet or website; however, Levi’s has a country specific Instagram handle for nine out of the sixteen countries it operates in. The countries for which it does not have a country-specific Instagram are Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. The Instagram handle is specific to each country, for example the Instagram handle for Argentina is @levis_ar and on the Instagram page the biography section says “Levi’s Argentina” and “Sitio oficial de Levi’s Argentina.” The opening page of several of the Instagram pages
features the hashtag, #LiveinLevis. Additionally, Levi’s has a solid presence online. The company has country-specific websites for almost all of the countries it operates in. Levi’s has a country-specific website for each country except for Venezuela, El Salvador, Guatemala, Honduras, and Nicaragua. While Levi’s is present on Instagram and has a developed website presence for specific countries, the company has little to no presence on Facebook. Another aspect of Levi’s strategies that is important to note, is that on the majority of the websites, an online shopper cannot actually purchase an item, but rather can only view the item. Levi’s names this their “Lookbook.” The only countries that have a website set up to allow the consumer to actually buy something are Argentina, Chile, and Mexico. The availability of online shopping makes sense for these countries as Levi’s has 60, 24, and 52 physical stores, respectively, in each country. The economies of these three countries are also the most developed of Latin America and are members of the top tier as described in an earlier chapter. Interestingly, Argentina, Chile, and Mexico also have the most unfavorable opinions of the United States, at 48%, 47%, and 61% respectively. Additionally, the percentage of the population using the Internet in these countries is relatively high compared to the other countries in Latin America. Important to note, is that Chile has the highest percentage of the population using the Internet at 82.30%. Therefore, Levi’s strong presence in Argentina, Chile, and Mexico corresponds to demographic and economic findings.

Costa Rica and the Dominican Republic both boast a high percentage of the population using the Internet. Since Levi’s already has brick and mortar stores there, they
could consider expanding their online presence to include an option to purchase jeans online. The only country that has a country-specific Facebook is Ecuador.

The Instagram page featuring “Levi’s Colombia” or another country-specific mention, reflects foreign brand association. An American name without brand translation, but that includes the country to which the company is selling is an interesting combination. The consumer could think the brand is American because they may associate the name Levi’s with the United States. The consumer could also associate the brand with his or her own country because if he saw the social media, he could think the brand is native to their own country. More likely, however, is that Levi’s consumers know that Levi’s is an American company, and feel that Levi’s makes itself more relatable to consumers in foreign markets. Levi’s decision to make country-specific Instagram accounts is one that caters to creating a sense of familiarity for consumers, but also could create a sense of prestige by choosing to not translate their very American brand name. Another aspect studied was the prices of jeans on the website in each country. A pair of men’s straight leg jeans from Levi’s costs $61.76 in Argentina, $62.86 in Chile, $66.43 in Mexico, and $59.50 in the United States. The similarity in prices could be due to variations in exchange rates across countries. Needless to say, there is not much to note regarding prices, as they are relatively similar in each country listed. The final aspect studied was the use of English as a marketing tool in the company’s outlets. Levi’s utilizes English a great deal as a part of its marketing techniques. On several websites, a Star Wars Advertisement was featured. In Bolivia, one advertisement featured
Justin Timberlake. The hashtag #LiveinLevis is very popular across all outlets and was used frequently. Also, #LadiesinLevis is a popular hashtag used across various outlets in various countries. An LGBTQ campaign was also used in Argentina and other countries. Other various short phrases in English were used frequently.

To summarize, Levi’s seems to have an English heavy marketing campaign for their South American target markets, even though they do not have true country of origin advertising that directly associates the brand with the United States. Levi’s also has the most stores in South America besides Walmart. Levi’s does not translate the brand name for foreign markets, and it uses iconic American images like Star Wars to help market its product. Levi’s in South America represents the most established and truly American marketing strategy among the five companies highlighted.

Walmart:

Walmart is a unique case for two reasons. First, Walmart is a large scale supplier whose strengths are convenience and affordability. “Cheap” is for everyone and a variety of products can be found at Walmart. Second, none of Walmart or its subsidiaries’ websites or social media feature jeans for sale. Therefore, this section will focus on Walmart as a whole instead of Walmart’s marketing strategy of jeans. Walmart also differs from the other brands in that it does not sell one brand exclusively like a physical Levi’s store.

Walmart has a presence in Argentina, Chile, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, and Nicaragua. Each country has a specific name in Spanish for its
branch of Walmart. For example, in Argentina, Walmart’s stores are called Changomas or Mi Changomas. In Chile, Líder, and in Central America, Despensa or Pali. Some of the Central American stores share names, and some countries house a store with the actual Walmart name in addition to their country-specific, Spanish name. Walmart has the largest number of stores out of any other brand with 92 stores in Argentina, 384 in Chile, over 100 in each Central American country, and over 2,000 in Mexico.

In terms of brand translation, Walmart uses a Spanish name, but the meaning is not the same, as Walmart in English does not have a particular meaning either. The Spanish name, however, may be helpful for consumers in Latin America to create a sense of familiarity with the brand. Consumers might not even know that the company is owned by Walmart in the United States. While Walmart does not use country of origin advertising, it does use foreign brand association, like its “Walmart Argentina” social media pages for example. Walmart is relatively present on social media especially Facebook and has developed websites. One aspect of Walmart’s social media that is important to note, is that a store like Walmart could be less likely to have a dedicated consumer following on social media. On social media, users probably tend to follow boutique or clothing stores as opposed to an everyday life store. One would assume that posts of clothing would be more attractive to a user than Walmart’s diverse product line.

The diversification of its stores and names suggests that Walmart has an advanced understanding of other cultures. Their store names for Caribbean and Central American countries is not the same as the Southern cone countries. Their customization probably
attracts more customers because the marketing strategies differ and seem to be for different target markets. The ability to identify a target market is one of the most important aspects of marketing and it appears that Walmart has performed well.

One reason Walmart may not market jeans could be because it does not have to. Since Walmart offers a plethora of items, jeans may simply be an easy purchase in-store for frequent consumers. On the other hand, Walmart is not necessarily known for its jeans, or it could carry a certain brand of jeans (like Levi’s or Wrangler) instead of a Walmart brand of jeans. The most important aspect of Walmart’s case study is that Walmart has more stores than any of the other companies. Its presence is widespread throughout South America and the brand is very visible to consumers there. To conclude, Walmart probably focuses more on economizing its supply chain to offer customers the best prices available instead of the actual products. While Walmart may sell jeans, they are not available for purchase on any websites that Walmart has for South America.

To conclude, Walmart has the most stores out of the five companies highlighted, but it does not sell jeans on its website. Walmart’s strategy is also the most diversified as its stores vary by country and region. Sometimes Walmart has a store name that is in Spanish and completely different than the American “Walmart,” while sometimes Walmart keeps its American name and adds the country’s name that it is operating in after Walmart. Walmart focuses more on its supply chain than the other companies, but it also has different goals. Providing everyday items quickly and at a low price is
Walmart’s goal, whereas the other companies focus mainly on clothing at a more middle-ground price.

Wrangler:

Wrangler is arguably the weakest brand present in South America. The company does not operate in Bolivia, Colombia, Uruguay, Venezuela, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Cuba or the Dominican Republic, and it recently closed its stores in Argentina. Of the remaining countries, Mexico, Peru, Ecuador, Paraguay, and Chile, the company sells its brand through popular department stores there. For example, in Chile, Wrangler sells its jeans at Falabella, the largest South American department store chain.

Wrangler does not translate its brand for any store. While it does not use country of origin advertising, Wrangler includes the country name after the brand name on some social media (Wrangler Ecuador, Wrangler Chile etc.) using foreign brand association.

Wrangler is consistently present on Instagram and some countries have specific Wrangler Facebook pages as well. The jeans are priced at $46.24 in Chile and $53.56 in Ecuador, but no prices were available on any other country’s social media or website.

Wrangler is by far the least developed brand in South America with little information available. The company does not use brand translation, but does use foreign association when it adds the target country name after the brand name, Wrangler. Information for Wrangler was difficult to find; these aspects and the overall presentation of Wrangler make it the weakest brand that operates in South America.
American Eagle:

American Eagle is an interesting case study because country of origin advertising is inherently used in its brand name. From their first encounter with the brand, consumers are likely to associate American Eagle with the United States, which depending on opinions of the United States in each country could make it more or less popular.

American Eagle only has stores in Chile and Peru, but it ships to every other country besides Paraguay and Cuba. For brand translation, American Eagle does not translate its brand name or the word “jeans,” but it does translate the type of jean. For example, a wide-leg jean style is shown on the websites as “jeans de pierna ancha.” This form of translation is interesting because it combines the iconic American clothing item, jeans with a style that is translated to the target language.

Online, American Eagle has one main website that is in Spanish, but it does not have any country-specific websites. The company does, however, have country-specific Instagram accounts for Peru, Costa Rica, El Salvador, Uruguay, and Guatemala. The only Facebook account it uses is for Peru.

While American Eagle is the least physically present company in South America, it does have a website in Spanish, and ships to almost every country in the region. These two aspects are definitely strategic for American Eagle, as their consumers hopefully understand and feel more familiar with their website and have the convenience of being able to view, purchase, and receive products they buy online from the company. Country of origin advertising is also inherent in the brand name, which drastically differentiates
American Eagle from the other companies. This aspect of the company automatically associates it with the United States, which could create larger disparities in its effect on purchase intention.

GAP Inc.:

Old Navy also presents an interesting case to examine because GAP Inc. actually owns and franchises Old Navy and Banana Republic. Originally, Old Navy was to be the primary company studied because the company boasts one of the highest market shares of jeans in the United States, but since there resulted to only be Old Navy stores in Mexico, I decided to expand the study to Banana Republic and GAP stores as well because they are all related to the same parent company. Banana Republic has stores in Argentina, Chile, Colombia, Peru, Costa Rica, El Salvador, and Mexico. GAP only has stores in Chile. Old Navy, GAP, and Banana Republic do not translate their brand name. The online presence differs by country, but overall GAP Inc. is not very active or consistent online or on social media in South America. Banana Republic Argentina has a country-specific Instagram account, but only fragrances and perfumes are posted. Chile has a GAP and Banana Republic Chile Instagram account, and Peru has a Banana Republic Instagram account as well.

The only prices listed for GAP or Banana Republic come from Chilean sources. GAP prices the jeans at $66.93 and Banana Republic prices them at $122.49. Additionally, on Chilean and Peruvian social media, short English phrases are used to market the products sold.
In conclusion, GAP Inc., represents the most inconsistent or strategic brand in South America. The company has chosen which of the subsidiaries operates in each given country. These decisions seem inconsistent, but could be due to varying market conditions in each country. According to the prices listed, Banana Republic definitely seems to occupy the space of a more luxurious brand, but has stores in one of the poorest countries, El Salvador.

Tier System Correlations:

The tier system discussed in the previous chapter helps to further investigate the nuanced way in which firms target markets in Latin America. Firms are definitely more active in top tier countries: Chile, Argentina, Uruguay, Costa Rica, and Panama all have a large presence of firms and a relatively strong use of English in the marketing strategy there. However, out of the top-tier and top-middle tier, Argentina, Chile and Mexico definitely overall have the highest level of activity from firms. Additionally, Mexico, because of its close proximity to the United States has citizens that probably identify with American culture more readily than other countries. The bottom-tier countries also correspond with the strategies used by firms. One outlier country is the Dominican Republic. The Dominican Republic is a top-mid country, but only American Eagle operates there and furthermore only ships there. The Dominican Republic scored so high because it has an exceptional literacy rate, percent of the population using the Internet, and Gini coefficient, but its low GDP could deter firms from operating there because it would be a relatively small market. While imperfect, the tier system does correspond to
how the five different companies operate in Latin America. In general, brands are more active in countries with a higher GDP PPP, Gini coefficient, EPI, literacy rate, and percent of the population using the Internet. These same brands are less active in countries that score lower in these areas. Economic and socio-demographic factors seem to correspond to the level of activity by an American firm in Latin America.

Conclusions:

Of the five companies discussed, Levi’s definitely has the most comprehensive and strategic approach to marketing its jeans in Latin America. The other companies each seem to have certain aspects that hinder it from operating to their fullest potential. For example, Walmart does not show jeans online, Wrangler seems to have had supply chain and operating issues in South America, GAP Inc. has three stores that operate in South America, and American Eagle does not have many stores. Another aspect important to note is that American Eagle contains country of origin advertising inherent in its name. Customers already associate American Eagle with the United States by simply hearing its brand name. Firms could use information like statistics on who uses the Internet to learn the most effective way of marketing their products to markets in South America. Also, just having clearer and easier to find information online could help boost awareness and understanding of a firm’s mission and vision. Even a clearly stated global strategy could be helpful.
CHAPTER 5: CASE STUDY

The main component of this thesis was originally to be a survey sent to Peru and Chile measuring the effect country of origin and brand language on purchase intentions for jeans. The survey is an adaptation of Rafael Porto’s work, “Is naming brands in English worth doing? Effects of foreignness and country of origin on brand equity.” The survey was distributed to a university in Cajamarca, Peru and received nineteen responses. The survey was originally planned to be distributed to a university in Valparaíso, Chile, but due to extreme political unrest in the fall of 2019, the survey was unable to be distributed and completed by students. Given the small number of responses, it is not possible to draw rigorous conclusions from this research. However, it is worth mentioning the structure of the survey and the purposes behind the attempt to carry out the survey.

The survey first asks the respondent how frequently they wear jeans and how many pairs of jeans he or she owns. The survey software then randomly assigns respondents to a different photo advertisement for the jeans. There are four versions of the advertisement used described as follows:

1. No country of origin message, English brand name, “Audacity”
2. Country of origin message, English brand name, “Audacity”
3. No country of origin message, Spanish brand name, “Audacia”
The respondents then answered six questions about the advertisement they were shown. The questions measured brand knowledge (which was expected to be low because the brand was fictitious), quality, exclusivity, image, how often consumers would buy this brand in the span of one year, and the highest price consumers would pay for the jeans based on the advertisement. Porto’s study found that versions one (no country of origin message, English brand name) and version four (country of origin message, Spanish brand name) performed best. Version one probably performed well because the English language was attractive to respondents and no country was attached to the advertisement. The fourth version probably performed well because respondents felt emotional ties to their country represented in the advertisement and their own language used in the advertisement. The results show that while nationalism is strong, the allure that the English language creates is equally as strong, especially because there are neutral connotations in regards to the origin of the advertisement since it does not highlight a country at all. The original goal was to investigate which version of the advertisements would perform best in South America to better equip marketing teams to develop advertisements that best resonate with the target markets there. Had my survey been completed, I expected that the advertisement with a Spanish brand name and with country of origin advertising would be effective along with the English brand name without country of origin advertising. The success of these combinations would play on nationalistic pride as well as foreign allure.
While the survey only received nineteen responses, I will still summarize the responses and compare them to Porto’s. First, six respondents answered that they wear jeans two to four times a week and eight respondents answered that they wear jeans every day. The next question asked respondents how many pairs of jeans they own: no one had just one pair of jeans, one person had two pairs and one person had five pairs, and then four people had three pairs, four pairs, and six pairs.

The first advertisement shown was the English brand name with no country of origin message. Three out of four respondents answered that the brand featured in the advertisement did not appear to be well-known at all. All four respondents for this advertisement answered that the brand featured in the advertisement appeared to be of good quality. Again, all four respondents answered that the brand offered a good image. Two respondents answered that the brand appeared to be exclusive, while two answered that they couldn’t say one way or another. One respondent answered that consumers would be likely to buy this brand of jeans not very frequently, while two others answered very frequently, and one answered that they couldn’t say. When asked how much consumers would be willing to pay for these jeans based on the advertisement, respondents answered between 50 and 100 soles or $14 to $28 US dollars.

The next advertisement shown was the Spanish brand name with no country of origin message. There were only two total respondents for this category. Each respondent answered that the brand featured in the advertisement did not appear to be well-known at all. They also answered that they couldn’t tell if the brand featured in the advertisement
appeared to be of good quality. One respondent answered that the brand offered a good image, while one respondent answered that he couldn’t tell. Both respondents answered that the brand appeared to be somewhat exclusive. Both respondents answered that they would buy the jeans somewhat frequently. When asked how much consumers would be willing to pay for these jeans based on the advertisement, respondents answered between 60 and 70 soles or $16 to $20 US dollars.

The third advertisement featured the Spanish brand name with a country of origin message. Two respondents answered that the brand featured in the advertisement did not appear to be well-known at all, while two answered that it appeared to be somewhat well-known. One respondent answered that the jeans appeared to be of high quality, one answered good quality, and two answered that they couldn’t tell. All respondents answered that the brand appeared to offer a good image. Two respondents answered that the brand appeared to be exclusive, one couldn’t tell, and one said the brand appeared to be somewhat exclusive. Each respondent answered differently for how frequently they thought consumers would buy this brand of jeans from somewhat frequently to very frequently. When asked how much consumers would be willing to pay for these jeans based on the advertisement, respondents answered between 60 and 100 soles or $16 to $28 US dollars.

The fourth and final advertisement featured the English brand name with a country of origin message. All respondents answered that the brand featured in the advertisement did not appear to be well-known at all. One respondent that the brand
appeared to be of good quality, and three answered that they couldn’t tell. While two respondents answered that the brand appeared to offer a good image, two couldn’t tell. Two respondents answered that the brand appeared to be exclusive, one couldn’t tell, and one said the brand appeared to be somewhat exclusive. All respondents answered that they thought consumers would buy the jeans whenever they wanted. When asked how much consumers would be willing to pay for these jeans based on the advertisement, respondents answered between 60 and 100 soles or $16 to $28 US dollars.

Because there are so few responses, it is hard to tell if this survey compares in any way to Porto’s. One observation however, is that the Spanish advertisement with the country of origin message does appear to be more familiar to consumers than some of the other advertisement options. Additionally, the English brand name with no country of origin message was the only option that received positive answers from every respondent on quality and image. These two observations could perhaps reinforce Porto’s findings that foreign advertisements create allure while national advertisements create familiarity. Again, with so few responses it is difficult to draw any rigorous conclusions from this research.
CHAPTER 6: CONCLUSIONS AND LIMITATIONS

The decisions involved in marketing a product to a foreign market are extensive and nuanced. Most companies must successfully compete on the global stage to stay in business. Firms operating in a more globalized environment have to consider language and culture as two important aspects of global advertising campaigns. Culture and language are crucial because they most directly resonate with the everyday life of the consumer. Culture and language shape thoughts, perceptions, and interpretations about products; so much so that small differences or mistakes can greatly impact a product’s success. I first researched the demographic and economic environment of Latin America and then divided the countries into tiers based on GDP PPP per capita, EPI, Gini coefficient, literacy rate, and percent of the population using the Internet. These factors combined are an indicator of how advanced any given country is compared to the rest of Latin America.

Of the results from the jeans investigation, one can see that Levi’s has the strongest presence and strategy in Latin America. The company operates in almost every country and uses English frequently as a part of its marketing strategy. It also has a strong social media presence. Walmart proved to be an exception because it does not sell jeans on its websites, but has the most diversification in its branding strategy and the largest number of physical stores throughout the region. The results from the tier division corresponded closely to each firm’s strategy in Latin America. The top tier countries usually boasted the strongest presence from each firm.
The most challenging limitation of this study was the lack of responses to the surveys distributed to Peru and Argentina. The lack of funding and time hindered the amount of people the survey could reach. Additionally, some information about jeans was difficult to find on the firms’ websites and social media. The number of stores for example, was difficult to find for every firm that operates in South America. I also would have liked to add an analysis of the firm’s revenues in South America, but that information was difficult to find as well.

For future research, the survey ideally should be sent to the two largest universities in each country in South America to gather a wide enough pool of respondents to be able to draw conclusions from the results. This way, the results would be more representative of each country to be able to accurately analyze whether preferences regarding brand translation and country of origin advertising differ by country, region, or culture. Surveying latinos living in the United States about their perceptions of the brands could serve as an interesting point of comparison as well. American companies could identify an underserved market segment if that group preferred products with Spanish brand names or more information about the products in Spanish. The last suggestion for further research is to compare “luxury” brands with “utilitarian” brands. The five brands studied all could represent a more “utilitarian” side of the jeans industry, while more exclusive designer brands could represent the “luxury” side of the industry. Comparing both could serve to prove the familiarity vs. foreignness theory; a more utilitarian product performs well with a national language name because it
represents familiarity and trust to consumers, while a luxury-branded product performs well with a foreign language name because the unknown represents allure.

To conclude, I expected to gather most of the data from the surveys sent to Chile and Peru; however, the analysis ultimately came from a comparison between the demographic and economic characteristics of each country and the brands’ decisions in each. The tier system served as a way to corroborate my theory that a higher GDP PPP per capita, English proficiency, literacy rate, percent of the population using the Internet, and equality for a specific country seemed to correspond to increased probability of high activity by a brand in that given country. Economic and demographic factors, especially perceptions about the firm’s country should be considered by firms before entering a foreign market. Brand translation and country of origin advertising are strategic tools that can be used to a firm’s advantage globally and the economic and demographic factors studied in this thesis help support decisions of whether or not to use those tools.
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APPENDIX:
SURVEY:

A. Bienvenid@s y gracias de antemano por participar en esta encuesta sobre una marca nueva de jeans que estamos lanzando al mercado chileno. La encuesta durará de 5 a 8 minutos. Si tiene preguntas o dudas póngase en contacto con nosotros en estewart@go.olemiss.edu. Primero la encuesta le va a preguntar sobre algunas publicidades y después algunas preguntas generales. El formato de la encuesta es simple. Primero se hará preguntas generales sobre el producto, después se mostrará la publicidad de la marca y para finalizar se hará unas preguntas del perfil del encuestado.

B. ¿Con qué frecuencia lleva jeans?
   a. Cada día
   b. 2-4 veces por semana
   c. Dos veces por mes
   d. Una vez por mes
   e. Nunca

C. ¿Cuántos pares de jeans tiene?
   a. 1, 2, 3, 4, 5, 6+

Fotografía (1 de 4 opciones)

D. Según la publicidad, ¿cuán conocida le parece la marca Audacia/Audacity?
   a. 0 - not known at all - para nada
   b. 1 - known a little - un poco
c. 2 - known moderately - en moderación

d. 3 - quite well known - conocida

e. 4 - very well known - muy conocida

E. Según la publicidad, ¿qué calidad le parece que tiene la marca Audacia/Audacity?

a. 0 - very low quality - muy mala calidad
b. 1 - low quality - mala calidad
c. 2 - medium quality - no podría decir
d. 3 - high quality - buena calidad
e. 4 - very high quality - muy buena calidad

F. Según la publicidad, ¿qué imagen le parece que ofrece la marca Audacia/Audacity?

a. Muy mala
b. Mala
c. No podría decir
d. Buena
e. Muy buena

G. ¿Cómo evaluaría la exclusividad que la marca Audacia/Audacity parece generar?

a. Para nada exclusiva
b. Poco exclusiva
c. Exclusiva
d. Muy exclusiva

H. Según su opinión del anuncio publicitario, ¿con qué frecuencia piensa que los consumidores podrían comprar los jeans Audacia/Audacity en el plazo de un año?
   a. Números

I. En su opinión, ¿cuál sería el precio más alto que un consumidor llegaría a pagar por este producto?

J. Fecha de nacimiento

K. Género: Hombre/ Mujer/Prefiero no decir/Otro

L. Nacionalidad

M. Edad

N. Autoevaluación de su competencia lingüística en inglés
   a. Hablo con total fluidez, hablo muy bien
   b. Puedo tener una conversación básica
   c. Puedo entender pero no hablar
   d. No hablo inglés

O. Nivel socioeconómico:
   a. Clase baja
   b. Clase obrera
   c. Clase media
   d. Clase media-alta
   e. Clase alta
P. ¿Cuál es su perspectiva hacia de Estados Unidos?
   a. Muy favorable
   b. Favorable
   c. Desfavorable
   d. Muy desfavorable

Q. ¿Con qué frecuencia va de compras usted?
   a. Una vez por semana
   b. Una vez al mes
   c. Una vez al semestre
   d. Una vez al año
   e. Voy cuando necesito ropa

R. ¿Cuánto diría usted que gasta en ropa al año?

S. Gracias por su participación. Esperamos que tenga un buen día. Si tiene preguntas o dudas sobre esta encuesta no deje de ponerse en contacto con nosotros al siguiente correo: estewart@go.olemiss.edu. Gracias!
FIGURE 1: SOCIO-DEMOGRAPHIC ENVIRONMENT

<table>
<thead>
<tr>
<th>Country</th>
<th>Population*</th>
<th>English Proficiency Index***</th>
<th>USA Perception: Unfavorable**</th>
<th>Literacy Rates*</th>
<th>% Population Using the Internet (2017)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>44,494,502</td>
<td>58.38</td>
<td>48%</td>
<td>99%</td>
<td>74%</td>
</tr>
<tr>
<td>Bolivia</td>
<td>11,333,142</td>
<td>51.64</td>
<td>29% (2013)</td>
<td>92%</td>
<td>44%</td>
</tr>
<tr>
<td>Chile</td>
<td>18,729,160</td>
<td>52.89</td>
<td>47%</td>
<td>96%</td>
<td>82%</td>
</tr>
<tr>
<td>Colombia</td>
<td>49,648,685</td>
<td>48.75</td>
<td>38% (2018)</td>
<td>95%</td>
<td>62%</td>
</tr>
<tr>
<td>Ecuador</td>
<td>17,084,357</td>
<td>46.57</td>
<td>-</td>
<td>93%</td>
<td>57%</td>
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<tr>
<td>Paraguay</td>
<td>6,956,071</td>
<td>52.51</td>
<td>-</td>
<td>94%</td>
<td>65% (2018)</td>
</tr>
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<td>Peru</td>
<td>31,909,256</td>
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<td>38% (2017)</td>
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<td>52% (2018)</td>
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<td>Uruguay</td>
<td>3,449,299</td>
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<td>68%</td>
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<td>17,247,807</td>
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*GDP, Population, Income, GDP Growth, Literacy Rates, and % of Population using the Internet was all taken from the World Bank from their World Development Indicators database.

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A score of 0 represents a totally equal society and a score of 100 represents a totally unequal society.
*****Trading Economics website
**FIGURE 2: ECONOMIC ENVIRONMENT**

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*****Trading Economics website
FIGURE 3: TIERS

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<th>Country</th>
<th>GDP FFP*</th>
<th>Gini****</th>
<th>EPI***</th>
<th>Literacy Rate*</th>
<th>% Population Using the Internet*</th>
<th>Total</th>
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**Figure 4: Levi's**
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FIGURE 5: WALMART
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FIGURE 8: GAP/OLD NAVY/BANANA REPUBLIC