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## **THE CONCEPT OF THE INTERNATIONAL BRANDING IN THE STRATEGY OF MULTINATIONAL CORPORATION**

In the XXI century, in the conditions of liberalization of international trade, the active development of international economic integration, the concept of international branding has become a method of increasing capitalization for transnational corporations (TNCs). National capital markets are increasingly responding to international brand valuations. If we compare the portfolios of the most powerful international brands with their portfolios of securities, then from year to year there is a strong influence of the former on the latter. Thus, the value of a trademark and its internationalization becomes an effective way to increase the capitalization of transnational corporations.

International branding has gone through several stages of evolution [2, p. 40 41], but he only became such at the final stage of his development, which took place from the beginning of the 1980s. This stage is marked by many mergers and acquisitions of TNCs. At the same time, studies appeared that viewed the brand as an intangible asset.

The key task of managing an international brand should be to increase its capitalization, since a brand with a high cost affects both the demand curve and the supply curve due to economies of scale in production and sales, greater loyalty of intermediaries, reduced staff costs and costs of attracting external borrowing.

In addition to assessing the value of an international brand, the most important start in its concept is positioning, which, obviously, is an integral part of branding. Its goal is to put a trademark in the minds of consumers so that the company gets the maximum benefit from it [2, p. 336]. Positioning is the brand gaining the desired strategic position in the market relative to its competitors [3, p. 158]. Well-known experts E. Rice and J. Trout believe that positioning is a work with the way of thinking of potential buyers. To make a decision on positioning an international brand, it is necessary to determine primarily the sphere of competition [4, p. 36 37]. The decision to choose target foreign markets for promoting and positioning an international brand is one of the most important decisions in the field of positioning, since the decision to serve a specific target audience determines the nature of competition.

An important component of an international branding strategy is the differentiation of strong brands in the global market. Differentiation is a method by which manufacturers try to isolate their product from the total mass of similar products in order to draw the attention of buyers and consumers to it [3]. From this definition, it becomes obvious that the key to differentiating a product is to create an impression of a significant difference between the product and existing analogues. There are different strategies for brand differentiation in the global market. Differentiation based on the product is made according to its operational qualities, service life, reliability, design style, some parameters of the service, etc. To select a differentiation strategy, it is necessary to determine which property of the product or the characteristic of the service is of the greatest value to customers, and prepare a proposal that will exceed consumer

expectations. According to experts, this process can be divided into three stages: a) creating a model of consumer preferences; b) building a hierarchy of consumer values; c) definition of a package of consumer values [5].

An important element of the concept of international branding is the increase in the value of international brands themselves. The factor of global brands has a direct impact on their value.

Most TNCs seek to increase their brand capital: the importance of this was realized in 1988 when Philip Morris acquired Kraft Foods for \$ 12 billion, which at that time was six times its book value [1, p. 213]. Corporate partnerships and alliances also have a positive effect on the value of international brands.

A strong international brand is able to influence the stock price of TNCs and its profitability. So, a strong brand, according to some experts, exceeds the share price by 57% compared with a weak one. Currently, tangible assets for a typical company account for 25% of its total value, while three decades ago this figure was 80%.

Currently, each transnational corporation is developing a brand strategy that defines key characteristics that differentiate the brand, the structure of the company's divisions and its products, key brand audiences and positioning strategy. Effective brand building (brand building) helps to increase the added value of the company's output; forms for her long-term stable demand; gives brands additional values that attract investors and consumers.

That is why the importance and role of branding (including international) in the last 20 years has changed significantly [6, p. 34]. In particular, there is a shift in attention from the product to the buyer, from the product to the market. There is growing interest in evaluating brand value. The practice of developed countries - the USA, the EU and Japan - indicates that the implementation of the concept of international branding allows companies to create market barriers for local competitors, simplifies the introduction of new products to new foreign markets, and makes it easier to develop new niches of foreign markets.

A strong international brand that has already gained customer loyalty in a number of markets has great potential for expanding into other categories of products. In turn, it should be noted that the value of an international brand can be reduced as a result of falsifications that use the brand's reputation and experience and create on this basis products of inferior quality, but generally identical. Therefore, the protection of international brands at all levels will help preserve the reputation, value of brands, and the image of multinational companies.

In order to create a competitive international brand and ensure its degree of protection as a factor of its capitalization, it is necessary to take into account national rules for registering brands in the countries of production and sale of branded goods. It is also necessary to take into account certain international principles and the global trademark registration system defined by the Agreement on International Trademark Registration. The latter also guarantees the protection of brands and their value, as well as harmonizing the procedure for their registration.

The development of global information technologies offers great opportunities to increase the international competitiveness of brands. However, on the other hand, there are new problems in the field of their protection. The absence of a single harmonized international law in the field of intellectual property protection in the electronic environment, which has become one of the key business tools in modern

conditions, makes international brands vulnerable and necessitates closer global and regional integration on the specified range of problems.

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