Culturally Influenced Marketing Practices between the United States and Germany with Methods of Integration

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Senior Honors Research Project
Culturally Influenced Marketing Practices Between the United States and Germany with Methods for Integration
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Abstract

The following study reveals the necessity of marketing research in regard to culturally-influenced marketing strategies. The focus areas are marketing strategies, marketing culture in the United States and Europe with specific regard to Germany, two case studies of integration between the US and Germany, and a discussion as to forms of integration.

A focus on cultural and economic backgrounds is vital to global integration among corporations; this is exemplified in the strategies of the emerging Energy Brainpool and Coca-Cola during the Third Reich. No matter what cultural obstacles exist, companies can integrate their products or services into foreign countries with thorough research and the correct strategy.
Introduction

When Clairol attempted to market a curling iron, the "Mist Stick" in Germany, they encountered a problem with the translation. Apparently, they had not realized that the German word for "Mist" is also a slang term for manure. No one really jumped at the opportunity to buy a "manure stick."\(^1\)

In order to sufficiently assess the global marketplace and the best avenues for global integration, companies must conduct marketing research relative to these different countries. A critical factor when integrating is the country's background, culture, language, and outlook towards incoming market participants.

First, a company needs to devote resources to marketing research. What is the country's impression on the rest of the world? What are its' target products? What do the consumers need? Marketing research helps a company to answer these questions and develop a workable introduction strategy.

This study compares and contrasts the different cultural factors that affect the United States and Germany, as well as how the two countries attempt to integrate into one another's consumer markets. What is important to the consumers in the US and Germany? How do companies adapt to the different environments?

"To achieve sales success on a global scale, you have to begin by bridging the culture gap." In order to give a real world perspective of market integration, two case studies are included. In a drastic scenario, Coca-Cola was able to incorporate its highly American product into Nazi Germany during the Second World War. In a contrasting case study, Energy Brainpool: Portfolio Consultants, based in Berlin, Germany, has developed a marketing strategy to incorporate into the United States in the Spring of 2005. How did these companies integrate into each other's economic environment?

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Methods

Most of the information gathered in this study was retrieved from the World Wide Web via article searches and company profiles. In addition, the information for the second case study of Energy Brainpool: Portfolio Consultants was collected on site in Berlin, Germany by Michele Faris, who developed their US incorporation strategy during her internship in the Summer of 2004.
Results

Marketing Research

Good information stands as the building blocks for any legitimate marketing research study. The authoritative characterization for market research according to the American Marketing Association is, "the systematic gathering, recording and analysis of data on issues relating to the marketing of goods and services."³ This methodology assembles data not presently obtainable to businesses.⁴ Businesses can appraise their stance in the market, construe foreseeable outcomes, explore options to their desired result, and appraise the probability of these results.⁵ Keeping these factors in mind, the implementation of market research must be delicate and efficiently calculated.⁶ The most important aspects are that all parties concerned enter this venture collectively, determine where the company is headed and how best to cooperate, and do so with substantial benevolence and a drive to accomplish their goals.⁷

⁵ Ibid.
⁶ Hannay Ibid.
Research would be motivated by the figures needed for the specific business sector of the business. Some aspects to keep in mind are the following:

- Fulfill customer satisfaction
- Advance fields that are weakening expected standards
- React early to warnings of shifts in consumer expectation
- Ascertain new market opportunities
- Improve awareness of contemporary markets
- Determine the extent of your venture
- Settle on rational goals
- Prepare your sales and marketing strategy

Many online databases, resources, and primary sources are available for research convenience. Companies need to see how potential customers see them, their products, and their services in order to market to consumer needs. Depending on the area of incorporation, it might be beneficial to reinforce or adjust the company representation. For instance, research by Business Advantage illustrates that, generally, consumers are more loyal to brand names.

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8 Hannay. Ibid.
than to dealers. It is best to target your audience through channels of which they are already familiar. It is also a good idea to research competitors and issue competitive incentives to counter the opposition.

All in all, the premium of market research is how a company realistically puts new information into practice. It reveals changes in the market and can be a driving force for companies to make their products and services excel. One could say that marketing research is comparable to a fairly unassuming indemnity premium.

Image and Culture

Culture classifies the schemas of significant morals, values, prospects, and aspirations communicated through people of an individual group which can be used to differentiate them from other groups. As persons, we usually become conscious of our own cultural identity only when dealing with that of another. Researchers can find differentiations in culture through a country’s image, communications, social classifications, affects of globalization, and individualized corporate culture.

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9 Hannay, Ibid.
10 Ibid.
11 Ibid.
12 Fog. Ibid.
Several reports have revealed that a nation's image shapes buyer assessment of goods manufactured in that region, occasionally to a greater degree than specific brands.\textsuperscript{14} International marketing strategists have to judge the consequences attached to the image of a nation as a key issue in consumer choice. National image has to be measured when formulating marketing and communication campaigns.\textsuperscript{15}

A corporation's marketing strategies are reliant on multitudes of aspects together with the power of its brand image and made-in nation image.\textsuperscript{16} These aspects can be broken down into the following four categories: strong nation image-strong brand image, weak nation image-strong brand image, strong nation image-weak brand image, and weak nation image-weak brand image. With a strong nation and strong brand image, the two traits ought to be highlighted together, principally if it is a worldwide institution. For instance, Sony is a strong brand manufactured in the strong nation of Japan. When a weak nation owns a strong brand, compilation is frequently in an emergent market and weight ought to be stressed on the name of the brand. For example, a Pontiac car built in South Korea could be objectively advertised as an automobile conceived in Germany and

\textsuperscript{15} Ibid.
\textsuperscript{16} Jaffe, Ibid.
completed with American innovation. With a strong nation and weak brand, the goods are alleged to be of a lesser value than that of opponents in the same nation. These should take credit from a strong nation by accentuating the made-in prompt, such as the United States with Renault Alliance in the 1980s. With a weak nation and a weak brand image, a company can share the accomplishments of a strong native brand. For instance, Samsung acquired admission into the United States through circulation by General Electric under the GE label. In addition, companies can use brand names that appear native in the intended marketplace, such as the Japanese brands of Canon and Sharp to correlate the goods with the United States.  

Patrons are able to shape attitudes towards goods manufactured in dissimilar nations, and such attitudes manipulate buyer performance. The influence of a country's image on buyer performance is particular to all merchandise. A nation may allegedly be deemed a good manufacturer of customer goods, but not automatically of something like vehicles. National identity can change drastically over a given time period. Governments, trade associations, and businesses should band together in fashioning, encouraging, and

17 Jaffe, Ibid.
18 Ibid.
preserving national identities that capitulate economical improvements.\textsuperscript{19}

When consumers are presented with questions in some areas of the world, individual honesty may be of lesser significance than the importance of one’s associations; this may shape the type of queries that can be asked, as well as the responses presented.\textsuperscript{20} Community compliance or ‘courtesy bias’ is an additional trend apt to alter data from investigations in certain areas, as is often times seen in sections of Southeast Asia. This happens when societal principles necessitate interviewees to answer with the sole intention of satisfying the examiner. Honesty may not be as important as civility. High-quality consultation skills are vital for measurable outcomes.\textsuperscript{21}

As a substitute for thorough country-by-country surveys, researchers have endeavored to organize societies in correlation to each other by means of a small number of moderately wide-ranging elementary scopes that are predominantly significant to organizational practices.\textsuperscript{22} The four importance proportions are Power Distance, Uncertainty Avoidance, Individualism-Collectivism, and Masculinity-Femininity. Power Distance specifies the degree to which a social order requires and recognizes a large measure of inequality in the

\begin{footnotesize}
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  \item \textsuperscript{19} Jaffe, Ibid.
  \item \textsuperscript{20} Fog, Ibid.
  \item \textsuperscript{21} Ibid.
  \item \textsuperscript{22} Gooderham, Ibid.
\end{itemize}
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corporate setting. With Large Power Distance, those in seats of authority should attempt to appear as commanding as he or she can, differentiated by an official pecking order. With Small Power Distance, those in seats of authority should attempt to look less authoritative, more like a capable democrat. Uncertainty Avoidance describes the extent to which a civilization favors inevitability, safety, and constancy. With Weak Uncertainty Avoidance, people are more likely to accept risks. With Strong Uncertainty Avoidance, safety is the main concern of the populace. Individualism-Collectivism conveys the degree to which citizens have a preference for looking after themselves and their immediate relatives rather than the whole collective group of family or community. Collectivist character is established in the communal structure. Individualist character is built around the individual. With Masculinity-Femininity, masculine cultures signify brazenness, competition, and covetousness in contrast with the 'feminine' principles of relations and the value of life. With the feminine, community and surroundings are significant, while with the masculine, wealth and possessions are essential.

We are past the overwhelming need to overlay one nation’s character on another. For instance, if a European corporation

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23 Gooderham, Ibid.
24 Ibid.
obtains an auxiliary in the United States, it will not necessarily attempt to transmit its corporate identity to that new auxiliary.\textsuperscript{26} Mingling traditions in the progression of globalization is demonstrated to be the primary difficulty. It is clearly incorrect to suppose that mergers “among contemporaries” will resolve the fundamental problem of culture.\textsuperscript{27}

Corporate globalization alters nationalized customs and international traditions profoundly and eternally.\textsuperscript{28} A merger destroys innate connections. The social identity of the staff, initially found in the taken over corporation, has to be incorporated into the purchasing corporation’s cultural personality. One staff must now comply with a different staff that has stolen their corporate personality. This condition directs the conquered corporation to a form of communal apprehension. It is imperative to get them ready for their new corporate personality and for the procedure of equating with the incoming corporation, therefore developing a united loyalty to the new juncture.\textsuperscript{29}

Commercial ethnicity historically has been the product of an evolutionary development.\textsuperscript{30} It was powerfully biased according to the character of the capitalist, the item for consumption, the state of the

\begin{footnotesize}
\textsuperscript{26} “Does a company need culture?” Ibid. \\
\textsuperscript{27} Ibid. \\
\textsuperscript{28} Ibid. \\
\textsuperscript{29} Ibid. \\
\textsuperscript{30} “Does a company need culture?” Ibid.
\end{footnotesize}
corporate headquarters, and by the personnel who work in the group. Typical models in Germany are Krupp, Daimler, Mannesmann, and Bosch. American models are Henry Ford, Louis Renault, and John Pierpont Morgan. Contrary to the present, in 1900 the world's principal states and their businesses exported assets and products, as well as their philosophy. Nationalized traditions were conveyed across the expanses of the globe, and this usually led to sometimes vicious cultural inconsistency. Not only public ideals of financial prevalence, but also the powerlessness to attain enlightening equilibrium and carry out cultural forbearance, barred disagreements from being determined among civilizations prior to 1914.\textsuperscript{31}

Today's international companies are multilingual, multi-ethnic, and multi-religious; the companies could be viewed as absolutely multicultural. Therefore, international actors are possibly preordained to be representations or archetypes of a culture which eventually will develop into something multi-ethnic, multi-religious, and perhaps even multilingual.\textsuperscript{32} Culture is not predominantly victorious as a statute in enacting this transformation of position.\textsuperscript{33} Globalized apprehension progresses, and conflict becomes the heart of most communal discourse. This oftentimes aggregates disagreements between

\begin{itemize}
\item \textsuperscript{31} Ibid.
\item \textsuperscript{32} Ibid.
\item \textsuperscript{33} "Does a company need culture?” Ibid.
\end{itemize}
communities of varied backgrounds. The fundamental objective of augmenting income is correlated by uniformly positioned cultural intentions. However, nearly all big corporations have issues concerning these uniform intentions. When groups from different backgrounds and religious convictions meet, it is a complicated process to discover common principles that go beyond the immediate corporate ambitions concerning the economy\textsuperscript{34}.

To value a business, you must view the organization with perception of the following issues affecting society: mergers, acquisitions, globalization, etc. As a result, one can look for the probable motivations and concerns which may lead to affirmative procedures, and also distinguish the objectives and penalties of said procedures in correlation to the configuration surrounding the ventures.\textsuperscript{35}

United States

Presumably, American culture has become increasingly obsessed with low expenditure.\textsuperscript{36} The American people are generally reluctant to gain knowledge from others. Therein lies a disinclination to merge industrial sciences and communal sciences - the concentration on

\textsuperscript{34} Ibid.
\textsuperscript{35} Ibid.
merchandise and the concentration on community. The managerial and anti-scholarly society states 'we tried and it doesn't work and we are going to go back to the way we've always done things.' Americans are characterized by an aggressive, "fast and furious" marketing strategy.

Respondents of the United States preferred the US in terms of value, in front of Japan and Germany. The US is categorized worldwide for scientific and industrial advances. With a weak country and strong brand image, it is an advantageous tactic to incorporate 'manufactured for the U.S.A.' onto barcode strips. A weak country-strong brand example of using a foreign-sounding brand name to situate a manufactured good with an allied country is Häagen Dazs, now in the possession of Pillsbury. Reuben Mattus of Brooklyn, New York, created the sweet as a small ice cream company. European ice cream was connected with excellence, such as the Danish product Premium Is. Therefore, he engineered the brand name Häagen Dazs and imprinted a drawing of Denmark, denoting Copenhagen on top of the containers. The implementation of a Scandinavian sounding brand

37 Cullen, Ibid.
39 Jaffe, Ibid.
40 Jaffe, Ibid.
was deliberate to correlate the creation with an area recognized for its superior dairy goods.41

Americans promote supply-side finances, undersized government, and free trade.42 All imitate a conviction that a social order must curtail government expenses and take full advantage of deregulated, privatized international entrepreneurship. Commercial autonomy is regarded as a straight and comparable addition of individual liberty. Americans believe that business practices should be given liberties, and their actions should not be subject to government intervention.43

In the exceedingly industrial American marketplace, customer ‘choice’ may represent a variety of several types of breakfast cereal, with slight dissimilarity among the ingredients44. Somewhere else, ‘choice’ may indicate the opportunity of purchasing any breakfast item for consumption.45

America’s neo-liberalism would advocate that edifying appearances that do not belong on the market do not belong in any forum.46 Donations of businesses, institutions and affluent members

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41 Ibid.
42 Osborne, Ibid.
43 Ibid.
44 Fog. Ibid.
45 Fog. Ibid.
46 Osborne, Ibid.
of the community finance business enterprises. American society, by
distinction, is a commercial society from beginning to end.47

America is essentially and instinctively putting into operation
shielding barriers towards possible corporate takeovers, in view of the
fact that they wish to have power over technology transfer.48 In
instances where the root of the exchange or project inconsistency in
America is residential, actions are provoked chiefly by the appearance
of unemployment from environmental and manufacturing ideologies.
Consequently, barriers are implemented as rationalization to evade
being taken over by means of acquisitions and mergers.49

European patrons attempting to penetrate the American
marketplace view trade shows as more critical.50 The United States
has to also comprehend that a pan-European stratagem is imperative.
The US almost certainly desires to expand this stratagem, even if their
sole concerns encompass a single nation. Every single organization is
becoming international; therefore, to expand their marketing mix, they
must be willing to develop.51

47 Ibid.
48 Posen, Adam S. “World Relations and Transatlantic Relations.” Online. Internet.
49 Posen, Ibid.
http://www.international-marketing.co.uk/www/exhibit.ppr.html. 5 September
2004.
51 Role of Exhibitions, Ibid.
Europe, with Special Regard to Germany

European marketing strategies are characterized by a longer period between project start to product introduction. When speaking of Europe, it typically involves nations such as France, Germany, Britain, Holland, Belgium, Switzerland, Italy, and the Scandinavian realms. Europeans dispute that absolute free enterprise fashions an isomorphic, commercially subjugated social order with diminished personal and communal alternatives. The custom of great municipal literary backing is hit upon in the majority of Europe’s communal democratic systems.

Europeans time and again perceive American customs as hegemonistic -- a caustic and totalizing attack on the literary, humanistic and communal arrangements they have worked so extensively to generate. An example of this fundamental difference is Wal-mart and how the disposition transforms from individual to commercial, from quaint city walkways to extensive parking lots and huge square depots at the outskirts of cities. In Europe, Wal-Mart ideology would plainly not be endured. Behind this mindset, most towns and cities in Europe boast thousand-year-old stories.

52 1 step 2 europe, Ibid.
53 Role of Exhibitions, Ibid.
54 Osborne, Ibid.
55 Ibid.
56 Ibid.
57 Osborne, Ibid.
represented within the architecture and further cultural edifices of their
diverse meeting halls. These cities make use of zoning regulations and
other policies, as well as municipal schooling, to defend their areas
from the "Wal-Martization" that would ensue by taking up
Americanized neo-liberalism. Europe does, in fact, contain substantial
department stores and an infrequent K-Mart; however, their authority
is held in reserve. Citizens would regard the injury to their culture and
individuality initiated by commercial standardization to be too costly.\(^\text{58}\)

Europeans are tremendously cognizant of value.\(^\text{59}\) For instance,
BMW as a corporation is infatuated with its automobiles to the extreme
that it almost seems that the engineers themselves take over
promoting what the consumers should have. BMW does not beat
around the bush when they state, "Let's get the product absolutely
right and that really matters." BMW's passion for its merchandise
supersedes more or less all other aspects of the business. BMW has a
presumption about its company; supposing they employ the finest
accessible practices and they run an automobile by means of said
practices, then they shall achieve a desired outcome.\(^\text{60}\) It is probable
that by performing some skillful labor on a product, it can be

\(^{58}\) Ibid.
\(^{59}\) Cullen, Ibid.
\(^{60}\) Cullen, Ibid.
superiorly made. In fact, a substantial percentage of the ‘Nacharbeit’ or ‘further work’ in BMW is actually devoted to better construction.\textsuperscript{61}

American companies, such as General Motors, Kraft Foods, and Proctor & Gamble, are well-known for their employment of German companies.\textsuperscript{62} Nevertheless, fascinating cases, such as when Daimler acquired Chrysler, and Deutsche Bank seized Bankers Trust, do exist. A German corporation appropriating a US corporation occurs infrequently. Lately America has not prompted abundant commercial conquests in Germany. Attributable to this, employment market restrictions, as well as tax loads, exist in Germany.\textsuperscript{63}

American trades wanting to pierce the European marketplace must see that exhibitions normally perform a less significant function in the marketing strategy.\textsuperscript{64} Due to the complexity of European cultures, no pan-European trade show exists. As soon as finances dwindle, exhibitions are the very last resource article that American corporations will abandon, whilst European corporations usually eliminate exhibitions at the outset.\textsuperscript{65} Goods presented at European events have previously been publicized in America, covered by American journalists and similarly by European journalists.\textsuperscript{66}

\textsuperscript{61} Ibid.
\textsuperscript{62} Posen, Ibid.
\textsuperscript{63} Ibid.
\textsuperscript{64} Role of Exhibitions, Ibid.
\textsuperscript{65} Role of Exhibitions, Ibid.
\textsuperscript{66} Ibid.
The best course of action is assembling a group seminar.\textsuperscript{67} The advantage of such seminars is management; they are firmly concise, magnitude is controllable, the host company has competent listeners that are theirs for the duration of the affair, and seminars are less expensive than exhibitions. In Germany, it is an exceedingly technological trade and potential consumers would rather handle and observe the merchandise. A corporation must in reality demonstrate the degree of difference that will be attained by advancing with an innovative item for consumption.\textsuperscript{68}

In 1896, Ernest Williams deduced that the 'Made in Germany' emblem promoted the retail of German-made products.\textsuperscript{69} Germany's benefit lies in workmanship. Many European consumers preferred Germany as their value principal over Japan or America. Models of European emblems that used this approach include Telefunken of Germany and, during the 1980s, Renault Alliance and Encore models sold in America.\textsuperscript{70}

\textsuperscript{67} Ibid.
\textsuperscript{68} Ibid.
\textsuperscript{69} Jaffe, Ibid.
\textsuperscript{70} Ibid.
Case Study: Coca-Cola

Figure 1 Coca-Cola Swastika


Following December 1941, Coca-Cola persuaded Americans on the battlefield and in America that drinking the beverage was by some means tantamount with battling antagonists of independence and democratic organization.\textsuperscript{71} Coke wished to be recognized as a confidence enforcer for the American war endeavor. Conversely, the “Universal Symbol of the American Way of Life” satisfied the liquid craving of the Third Reich.\textsuperscript{72}

In World War II, some German soldiers walked upon a stash of Coca-Cola forgotten by the retreating Allied military.\textsuperscript{73} However, the


\textsuperscript{72} Not the first, Ibid.

\textsuperscript{73} Ibid.
retreating Allies had failed to leave any ice and the Germans were familiar with the fact that Coca-Cola was best supplied ice cold. They solved the dilemma by wrapping wet towels around the Coke and securing the beverages to the wings of their fighter planes.\textsuperscript{74} So, upon landing, the Germans could quench themselves with an ice cold Coca-Cola soft drink.\textsuperscript{75}

Assistance to, if not an absolute partnership with, Hitler’s Germany was a regular practice for several international businesses with an interest in the Nazi country.\textsuperscript{76} In any case, at least Coke is a luxury item and not something that can be used to fly airplanes or produce bombs.\textsuperscript{77}

The company out of Atlanta, Georgia, worked in partnership with the Nazis during its control from 1933 until 1945 and marketed millions of bottles to Hitler’s Reich.\textsuperscript{78} Coca-Cola correlated itself with a public representation forged from advertising.\textsuperscript{79}

Coke’s promotional policy had similar properties to the National-Socialist culture.\textsuperscript{80} Coke took advantage of the same contemporary means that the Nazis used for their party lines, namely movies,

\textsuperscript{74} Not the first, Ibid.
\textsuperscript{75} Ibid.
\textsuperscript{77} Ibid.
\textsuperscript{78} Not the First, Ibid.
\textsuperscript{79} Ibid.
\textsuperscript{80} Jones, Ibid.
broadcasting, mass-publications, and sports proceedings. Through these channels, Coca-Cola interested workers, soldiers, and automobilists, objective factions of the Nazis' modernizing state. The corporation knew it was commercial suicide to divulge Coke's American roots if the "Coca-Colonization" of Germany was to triumph.\textsuperscript{81}

They encountered opposition from cola imitators such as Afri-Coke and Sinalco, and had to persuade Germans that Coca-Cola was a refreshing substitute to lager.\textsuperscript{82} Coke bombarded the public with the brand until several vendors began to stock Coke. Coca-Cola ads neglected to reveal their founding country.\textsuperscript{83}

Coca-Cola's saving grace from being squashed by Germany's fascist leaders was the fact that its company makeup and marketing practices were strikingly similar to the Nazis' totalitarian ideals of a modernized human race.\textsuperscript{84} The Nazis considered mass production and consumption as vital principles of their new world order. Coke's contemporary operations of promoting a standardized item for consumption were nothing short of impressive according to Nazi standards. It summarized the Nazis' principle of modern living. Even Hitler appeared to embrace America's resourceful methods of manufacturing methodology. The dictator was, for example, a

\textsuperscript{81} Ibid.
\textsuperscript{82} Not the first, Ibid.
\textsuperscript{83} Ibid.
\textsuperscript{84} Ibid.
supporter of mass-consumption, as displayed in a declaration as of September 1941: "Frugality is the enemy of progress. Therein we are similar to the Americans, that we are fastidious." In addition, Hitler supposedly liked Coke. He was alleged to sip the quenching beverage as he watched Gone with the Wind in his private theatre.

Coca-Cola and the Reich were headed by individuals of similar views and perspectives. With Coca-Cola, the head of the Germany Branch was Max Keith. From interviews with former employees, it is said that Keith's magnetism and unbending personality spurred quite a few Adolf Hitler analogies. "He was a born leader and very charismatic," claimed one. "You liked to work for him although he was almost a slave driver . . . Oh, yes, I was scared of him. We all were, even aides who were older."

Coke's triumph was thus founded on the desires of a contemporary and efficiently flourishing dictatorial country. However, no matter how jealous of American economic efficiency, Hitler was strongly against all other aspects of American life and culture. The makers of Coca-Cola could have single-handedly dealt with all of their needs in Germany. However, a decidedly ingenious aspect of their

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85 Ibid.
87 Jones, Ibid.
88 Ibid.
89 Not the first, Ibid.
campaign was contracting the bottling plants, packaging, ice box producers, storage spaces, advertising companies and printing presses to self-regulating businesses. Max Keith was hailed as, "the quintessential Coca-Cola man and Nazi-collaborator." In layman's terms, his approach was to gratify the Nazis at any time achievable and by any resources required.\textsuperscript{90}

Many instances display how Coca-Cola's marketing assisted the Nazi Regime.\textsuperscript{91} Hans Dieter Schaefer informed that following the belligerent news reports by the Reich, ridiculous musical ads promoted the quintessential refreshing beverage. Their ads intentionally wanted to be associated with the powerful leaders. Therefore, when a magazine cover displayed a picture of Hitler, it was a good possibility that Coke was advertising on the back cover. Furthermore, when people went to the Sportpalast to hear one of Dr. Goebbels' notorious dialogues, these visitors had to walk past a substantial billboard persuading them to sip "Coca-Cola eiskalt."\textsuperscript{92} Coca-Cola also supported the 1936 Nazi Olympics.\textsuperscript{93} Coke assisted the Nazis monetarily by advertising in Nazi newspapers. For instance, Coke advertised in the Nazi Army paper. As Max Keith noticed the dwindling supplies of Coke in 1941, he offered the last bottles to the Nazi

\textsuperscript{90} Ibid.
\textsuperscript{91} Not the first, Ibid.
\textsuperscript{92} Ibid.
\textsuperscript{93} Background, Ibid.
In addition, athletics were a Nazi superlative and the Coca-Cola GmbH took advantage of their obsession by becoming a huge vendor and supporter of sporting functions, especially the National Bicycle Championships and the Soccer Cup.

The demolition of state trade unions led to an increase in working hours. Max Keith accepted that the needs of the populace had exceeded those of the past. They were now required to work harder and faster. Therefore, the intricate machinery in the factories had to be operated under complete sobriety. What better refreshment could they have than Coke?

Mark Prendergrast's book, *For God, Country and Coca Cola*, has an interesting story of Coca-Cola's Nazi involvement. Max Keith began the ninth annual concessionaire convention. At the back the primary display, a massive sign announced that Coca-Cola was the world-famous brand name for the exceptional beverage of Coca-Cola GmbH. Straight below the sign, three huge swastikas were prominently displayed, black on red. At the primary display, Max Keith stood accompanied by his associates with an additional swastika draped over the table. The seminar was adjourned after a "ceremonial pledge to Coca-Cola and a ringing three-fold 'Sieg-Heil' to Hitler."

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94 Ibid.
95 Not the first, Ibid.
96 Jones, Ibid.
97 Jones, Ibid.
98 Background, Ibid.
Afterwards, Keith instigated a collective "Sieg-Heil" for Adolf Hitler's latest birthday, "to commemorate our deepest admiration and gratitude for our Fuhrer who has led our nation into a brilliant higher sphere." Keith bottled Coca-Cola at the uttermost core of the exhibition, right next to the Propaganda Office.\(^9\)

It appears as though the lone standard that the Coca-Cola GmbH never gave up during their stint in Nazi Germany was the actual product.\(^{100}\) On the other hand, Fanta was born in World War II.\(^{101}\) Coca-Cola had established itself in Germany since 1929. During the late '30s, the difficulties of war and the disrespect of foreign-owned companies in Nazi Germany posed problems for Coca-Cola's German branch to ship ingredients, sustain bottling facilities, or correspond with headquarters in Atlanta.\(^{102}\) Therefore, Keith made a decision to create a replacement soft drink, "relying on available ingredients—often the leavings from other food industries." An associate recommended a name built around the German word *fantasie*. From that, Fanta was created. The beverage was promoted as "a product of Coca-Cola GmbH." The company unrelentingly bottled Fanta during the entirety of the war. When WWII was over, there was

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\(^9\) Ibid.
\(^{100}\) Not the first, Ibid.

\(^{102}\) Walker, Ibid.
not any more need for Fanta, because Coca-Cola manufacture could go back to normal.\textsuperscript{103}

"When a group of German prisoners of war debarked for Hoboken, New Jersey, in early 1945, one of the first things that caught their eyes was a large Coca-Cola sign. This prompted excitement among the Germans and when one of the guards demanded an explanation for their behavior, he received the answer: 'We are surprised that you have Coca-Cola here too.'\textsuperscript{104}

The fact remains that the beverage titan from Atlanta, Georgia worked in partnership with Hitler's Nazi Germany during its reign between 1933 and 1945 and dispersed incalculable crates of carbonated soft drinks to Hitler's Reich.\textsuperscript{105} The tactic of straight involvement with Nazi officials or of supplying aid to functions propagandized by Nazi ideals shows that, in order to compete, the Coca-Cola GmbH surpassed simple opportunism.\textsuperscript{106} Coca-Cola transactions in Nazi Germany in 1934 were 243,000 cases.\textsuperscript{107} In 1936 they grew to one million cases. Impressively, they continued uphill in 1939 with almost four and a half million cases.\textsuperscript{108} Coca-Cola was party to the Nazi regime.\textsuperscript{109} However, Coke succeeded in Germany with a

\textsuperscript{103} Ibid.
\textsuperscript{104} Not the first, Ibid.
\textsuperscript{105} Jones, Ibid.
\textsuperscript{106} Not the first, Ibid.
\textsuperscript{107} Background, Ibid.
\textsuperscript{108} Ibid.
\textsuperscript{109} Not the first, Ibid.
supposedly inconceivable objective of exiting WWII undamaged as an American-owned corporation.\textsuperscript{110}

\textsuperscript{110} Jones, Ibid.
This summer I interned in Berlin, Germany, at Energy Brainpool: Portfolio Consultants. This company provides energy consultation to large companies that purchase their electricity wholesale. It is comparable to the stock market. In Germany, energy is deregulated. Therefore, the price of this commodity fluctuates according to trends, weather, etc. Energy Brainpool assists with price prognosis and legal deliberation between companies.

My job for my two months stay was to develop a marketing entry strategy for the company to expand into the US and UK markets. I focused primarily on the United States. Focus areas included researching competitors in the field, US public opinion, forms of integration, and materials for trade shows.¹¹¹

Via Internet, I researched several competitors in the field. The major questions were the following: Who are the main competitors,

¹¹¹ To comply with the wishes of my employer, Tobias Federico, I will not include the business plan of my strategy in this study.
how old are they, what products do they provide, and what are their prices. I also studied their different web sites, gave my opinion of each, and included in the strategy ways for Energy Brainpool’s website[^112] to be comparable to its competitors.

Public opinion is also important. According to Worldviews 2002, only 13% of Americans perceive economic competition from Europe as a threat. 68% of Americans have generally good feelings towards Germans. However, 85% wish to protect the jobs of American workers and 77% believe that immigration restrictions should be enforced more strictly[^113]. In light of public opinion, I believed that incorporation would be beneficial in light of the favorable percentages regarding Germans; however, in light of these statistics, it would be better to hire only Americans to work in the office because of the importance placed on domestic job security.

Of equal importance were entrance strategies. We have already learned that trade shows are much more important in the United States than in Europe. Therefore, I researched upcoming and annual conferences, such as the Electric Market Forecast Conference hosted by Arora Epis[^114], IASTED 2004[^115], Globalcon 2005[^116], Cader 2005[^117].

and IEEE PES. Along with these conferences, it was important to research suitable supplies for these conferences. I developed a ‘basket’ of items that might be beneficial at a conference: brochures, magnets, key chains, mints, business cards, and reply cards. At conferences, it was my opinion that something tangible to give away was a good idea.

In addition, the head of Energy Brainpool also wanted to submit articles to prominent energy magazines in the United States. That way, possible clients could observe the German company’s grasp of current affairs affecting the energy market. A few examples of such magazines are Energy Risk, Power Engineering, and Distributed Energy.

The goal of the project was to develop a strategy that would coincide well with American culture and give the consumer the right products and services. By researching public opinion and competitors, Energy Brainpool could ascertain necessary products and services to act competitively in the marketplace. The name, Energy Brainpool:

Portfolio Consultants, sounds native to the United States, but can also be understood in Berlin. The name is an incorporation strategy in itself.\textsuperscript{123} To my knowledge, Energy Brainpool has not yet activated this strategy, but expects to begin incorporation in Spring 2005.

\textsuperscript{123} Jaffe, Ibid.
Discussion

The United States needed to develop a suitable marketing strategy to promote lager sales in Hong Kong.\textsuperscript{124} Investigators found that Hong Kong customers favored a brew with a German brand, or a German-sounding brand. Therefore, when a U. S. corporation promoted a lager with a German-fashioned brand, it sold extremely well. This exemplified the notion that customers were purchasing associations, established on responsiveness of Germany as the global economy's quality beer manufacturer.\textsuperscript{125}

Excellence is a priority with German companies, whilst focusing on improvement and customer service has a propensity to characterize American companies when operating in Germany.\textsuperscript{126} When American businesses concentrate on cost as the mainly significant differentiator, they are not as booming. Lastly, preserving as a minimum a few qualities characteristic of an American company background can also be profitable. "While a German corporate culture is most prevalent, a more American business culture shows stronger correlation with success." Only one omission exists.\textsuperscript{127} While an American promotional

\textsuperscript{124} Fog, Ibid.
\textsuperscript{125} Ibid.
\textsuperscript{127} Recipe, Ibid.
style and a lofty concentration of consumer-based satisfaction is a valuable asset in Germany, the trade industry ought to function on an equivalent cultural path as its consumers.\textsuperscript{128}

If the American economy were primed to be more scholarly and befall a capacity for knowledge, companies could realize that operations and players are harmonizing.\textsuperscript{129} Can universities establish a curriculum amongst scholars of intentionally expanding their research to that of gaining knowledge from outside colleagues, and in turn, develop into a society more methodical in our processes? Subsequently, through a methodical operation, companies may deduce ways of eradicating causes of excess. Therefore, more capital is accessible to use on value-promoting endeavors such as producing manufactured goods not easily duplicated, running in the course of efficient manufacturing processes, striking the intended expenditure, and ensuring the obligatory standards of excellence. A requirement exists to generate project handbooks for procedures, in order to merge the communal sciences with industrial sciences.\textsuperscript{130}

Development of a promotional entrance into Germany should take approximately twelve months.\textsuperscript{131} Purchase a German company to gain entry instead of constructing your own corporate infrastructure.

\textsuperscript{128} Recipe, Ibid.
\textsuperscript{129} Cullen, Ibid.
\textsuperscript{130} Ibid.
\textsuperscript{131} Recipe, Ibid.
Do not attempt to contend with prices. Instead, spotlight originality and customer service, features disreputably ignored by recognized German companies. 

And lastly, do not endeavor to develop into something more German than the actual German competitors. A better strategy is to keep a few aspects of American corporate culture while conducting business in Germany.

These findings were the conclusions of a study conducted by the American Chamber of Commerce in Germany and U.S. consulting company Droege & Comp. Inc. They stated, "It pays if you care about profits and shareholder values, and you're bound for success if you are able to decide quickly and have a lean management structure." American corporations in Germany primarily emphasize the following three key trades: the automotive division; the oil, gas and energy division; and the high-tech division. Amongst the largest American corporations working in Germany are Ford-Werke, the German branch of Ford Motor Co., Adam Opel AG , the German auxiliary of General Motors Corp., and Exxon Mobil Corp.'s German company.

America is extremely attentive that an open trading system is necessary to raise the wealth of the emerging markets and to stabilize

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132 Recipe, Ibid.
133 Ibid.
134 Ibid.
135 Ibid.
the world economy. Stabilized, comfortable contacts could be formed, as well as numerous mutual contracts. Furthermore, straight government involvement could be eliminated from several business-to-business conceptions of suitable procedures. The progression, not necessarily of history, but of the force behind trade and industry presently supports an ideal of assimilation between western European countries and America. However, in a retroactive example of this trend, differing opinions resulting from the early responses to Vodafone Mannesmann were especially obvious. As a result, American and UK partners temporarily restricted incorporation into Germany. Cross-national negotiations typically encounter this particular dilemma. Cynical players in the international game seem to say, "Oh well, we're just as open as you are." For a structure of diverse characteristics to coincide, the principle necessitates a basis of unity.

Nevertheless, immense quantities of U.S. business enterprise assets now exist in Germany, as well as the whole of Europe.

Consequently, the United States is on the right track globally.

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136 Posen, Ibid.
137 Posen, Ibid.
138 Ibid.
139 Does a company need culture?, Ibid.
140 Posen, Ibid.
141 Ibid.
Conclusions

Culture plays an intricate role in marketing strategies, as was displayed with Coca-Cola and Energy Brainpool. Without necessary funds for marketing research, businesses run the risk of failure in global incorporation.

If emergencies are to be avoided, globalization must go hand-in-hand with a contribution of current and consistent information to the marketplace to ensure that all companies are able to construct knowledgeable conclusions.\textsuperscript{142} Making resolutions necessitates a plethora of knowledge.\textsuperscript{143} Businesses will need to become more educated in regard to the global community if integration is going to continue.

\textsuperscript{142} Does a company need culture?, Ibid.
\textsuperscript{143} Ibid.
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_Danke schön!!_
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