In search of tools for the use of Country-Image (CI) in the brand

Abstract: Existing Country Image (CI) literature tends to focus on consumer behaviour. In contrast, this paper approaches CI from the point of view of the firm. In doing so it seeks to identify the means by which international companies associate a brand with a specific country of origin in order to build brand values. In particular, it looks at the use of country image (CI) cues in brand strategies. The paper is based on exploratory research comprising a case study of two contrasting companies from the cosmetics industry, Natura, a domestic company and the French-owned L’Occitane, both of which draw on images of Brazil to build their brands. Specific elements of CI used in branding are identified, and the extent to which the use of these differs depending on the origin of the owning company is explored. The cases suggest that CI can be exploited in different contexts. Through analysis of the elements used by both companies to build strong brands associated with the Brazilian CI - Natura Cosméticos and L’Occitane au Brésil – six tools are identified that can be combined by firms to deliver brand values, derived from any country, through the use of CI.

Keywords: Country-Image; branding strategy; brand; tools; Country-Of-Origin; Country image usage.
Introduction

This paper seeks to provide a new approach to the Country Image (CI) literature by analysing CI as a valuable resource to the firm. Our goal is to advance knowledge and the CI literature by taking the viewpoint of firms rather than consumers, as most of the existing CI research is focused on consumer behaviour (Usunier, 2006; Peterson & Jolibert, 1995; Carneiro & Faria, 2016). Given the scarcity of research of CI from the standpoint of the supplier (Berveland & Lingreen, 2002; Samiee, 2010; Cuervo-Cazzura & Un, 2015), it is necessary to use new methods and variables to explore the subject from this perspective (Roth & Diamantopoulos, 2009; IMR, 2015). Therefore, our paper identifies through analysis, tools that can be used by companies to develop CI as a resource in brands (Cuervo-Cazurra & Un, 2015; Agrawal & Kamakura, 1999; Baker & Ballington).

Elements of CI are used as a resource in the brand building process of companies (Chattopadhyay, Batra & Ozsomer, 2012; Kumar & Steenkamp, 2013). Elements of CI pertaining to a specific country can be articulated, applied and appropriated by companies, regardless of the firm’s own country of origin (Papadopoulos & Heslop, 2014). The use of CI can therefore be considered a deliberate approach by a company to building a brand, an approach which some companies adopt and others do not. This approach is unique to each company; although two or more companies may draw on the same CI, the complexity of coordinating it with other company resources to build a brand creates something unique and difficult to imitate (Barney, 1991; Barney, Wright & Ketchen, 2001). To accomplish this, marketers have to create processes and develop tools that render the CI visible to and recognisable by the target audience. However, there is a lack of knowledge concerning the shapes and forms that CI can take in the branding process (Papadopoulos & Heslop, 2002; 2014). This encourages our goal in this research
which is to answer the following research question: How do companies operating internationally use attributes from CI in the development of their brands? The objective of this paper is to identify tools that marketers can use to build CI cues into brand strategies.

We present a case study that demonstrates this. Following suggestions by Fastoso and Whitelock (2011) who request more empirical research on emerging markets we chose Brazil as a country of reference, and this is where the research took place. The industry chosen – cosmetics - is acknowledged to have fast pace and innovativeness as key success factors (Kumar, Massie & Dumonceaux, 2006). Two brands from this industry were studied, Natura Cosméticos (Brazilian) and L'Occitane au Brésil (French), chosen on the basis of their representativeness in relation to the purpose of this paper. Both companies use Brazil’s image in their brands, but whilst Natura originates in Brazil, L’Occitane au Brésil is a brand from a well-known French group that explicitly borrows the Brazilian CI to build the brand. The analysis of the case studies gave a deep understanding of the elements the companies use in their branding processes to build a strong brand associated with the Brazilian CI. Six key tools that can be used to build CI brand value emerged from the findings, allowing us to produce a guide that can be used to add value from the CI of any country into a brand. For marketers, this serves as a strategic tool because it shows how companies can use CI elements as a resource in building the brand. It also supports a better understanding of CI usage showing how to make CI's cues recognisable to consumers (Costa, Carneiro & Goldszmidt, 2016). In addition, the case analysis lead us to elaborate a proposition that can be further investigated in future studies.

Our study proposes a framework for the CI literature which uses the company as the unit of analysis for exploring the CI as a resource. This follows requests from several
scholars (Papadopoulos & Heslop, 2014; Berveland & Lingreen, 2002; Samiee, 2010; Cuervo-Cazzura & Un, 2015). Our findings show that CI is a resource that can be used by companies either in domestic or overseas markets, using CI from their own country of origin or drawing on that of a different country, illustrated by the case studies in which a domestic and an overseas company both draw on the CI of Brazil to build their brands there. We take the approach that CI is a resource that when properly used can become a capability. We believe that the tools we identify might allow for the image of any country to be applied to build brands of companies of different nationalities; hence, its usage and benefits can be exploited by companies from another origin. Consequently, our study links the study of international marketing with the branding literature.

Literature background

CI and the development of brands in the global context

The image associated with a particular country can be acknowledged as a source of information for the evaluation of brands, from which companies may or may not benefit (Cuervo-Cazurra & Un, 2015; Đorđević, 2008) and which should be considered in the branding process. Brand management relates to developing power by making the brand more known, bought and engaged with the goal of making the brand name the reference one for its category (Kapferer, 2012). Brands from emerging markets (e.g. Havaianas - Brazil, Herborist, Shanghai Tang and Shang Xia – China, Coffee from Colombia - Colombia and the wine Concha y Toro – Chile) (Kumar & Steenkamp, 2013) and from developed markets (e.g., The French Hipanema, Pain de Sucre and the Germain Sucos do Brasil) are using CI attributes to link the brand to their country of origin or to borrow the usefulness of the CI from another country to build their brand (Papadopoulos & Heslop, 2014). Therefore, the CI association to a brand may be a source of competitive
advantage that can be used as a resource by companies and governments (Cuervo-Cazurra & Un, 2015; Sethi & Elango, 2000) and can also become a company marketing capability.

Hence, we claim that CI from emerging markets can be positively incorporated into the brand strategy and can give insights to conceptualise tools for CI usage. Four aspects should be analysed before marketers decide to use the CI in their brand strategy: the country brand values (Đorđević, 2008), the industry (Usunier & Cestre, 2007; Samiee, 2011; Beverland & Lingreen, 2002), the country of destination (Cuervo-Cazurra, 2011; Beverland & Lingreen, 2002; Đorđević, 2008) and the level of internationalization (Spence & Hamzaoui-Essoussi, 2010; Cuervo-Cazurra, 2011). It is important to note that the industry, the country of destination and the level of internationalisation should always be analysed in combination with the country brand values. These aspects are analysed hereafter.

**CI and country brand values**

Marketers should analyse the country brand values in order to a) understand if it has a constructive relation with the company brand values (Đorđević, 2008) and b) identify if the country of destination’s audience has a positive recognition of it (Đorđević, 2008; Cuervo-Cazurra, 2011; Beverland & Lingreen, 2002). A country with a positive image can build a strong country brand based on the country values (Barney & Zhang, 2008). The country brand and its values encompass the image of a country as a whole, embracing political, economic, social, environmental, historical, and cultural aspects (Fetscherin, 2010). Geography, nature, science and technology, tourism, cultural heritage and the government of the country also delineate CI (Rojas-Méndez, 2013). Thus, nations can develop the positive aspects of their image by communicating this various local features (Zeinalpour, Shahbazi & Ezzatirad, 2013).
CI and the company’s industry

Country brand values may vary across different industries (Usunier & Cestre, 2007; Samiee, 2011; Beverland & Linggreen, 2002; Fan, 2010). Whereas the image of a specific country might be positive for one industry, it may be less so for another. This happens because some countries are recognized worldwide for a particular capability or feature (e.g., Brazil by its joy of life, good association for fashion brands; Germany for its excellence in engineering - positive association for the automotive industry) or by a lack of reputation in other aspects (e.g., Brazil’s government corruption may influence the decision of Embraer not to associate its image with that of Brazil). Hence, the nature of the industry is relevant to the use of CI by the company (Samiee, 2011). The fact that certain countries present favorable features to a specific product category lead some industries to benefit from CI, but others may be disadvantaged. The CI of some countries can generate more legitimacy in some cases than in others (Beverland & Linggreen, 2002; Fan, 2010). Therefore, companies of all sectors should re-evaluate their marketing strategies with regard to whether or not their offerings are guided by the CI and to understand how they can benefit from it (Papadopoulos, 2004).

CI and country of destination

A company’s brand can benefit from the values of a country brand (Đorđević, 2008) when the usage of it enhances or distinguishes the image of the brand (Papadopoulos & Heslop, 2014). The drivers that guide the CI association are the corporate awareness of the country brand value (the relationship between the brand and the country brand) and the association made by the target audience between the company brand and country brand (Đorđević, 2008). That is the reason why the target market, or country of destination, emerges as another variable that may affect the CI incorporation decision by the company (Kleppe, Iversen & Stensaker, 2002; Beverland & Lindgreen,
In this sense, the CI may be beneficial to the company depending on the way that the people from the target market evaluate the CI associated with the company (Cuervo-Cazurra, 2011).

The CI transfers value to the company's brand when the audience (consumers from the country of destination) recognises the country brand promoted by the company as strong (Đorđević, 2008) configuring a match between product and CI (Kleppe et al., 2002). It is essential that companies’ marketers have a correct understanding of the CI used to promote the brand and how it is recognized by its target audience (Samiee, 2011), because in some countries the use of CI in supply can have better results than others, depending on how the country associated with the brand is perceived (Papadopoulos, 2004).

**CI and the company’s level of internationalisation**

Lastly, the level of internationalisation should be examined as the CI can be a low-cost resource for brands that are in the initial stage of internationalisation (Spence & Hamzaoui-Essoussi, 2010). In contrast once a company has established its brands internationally these become more important than and independent of its country of origin image (Cuervo-Cazurra, 2011; Beverland & Linggreen, 2002). The CI influence on the overall strategy of a company is more noticeable in companies that are in the early stages of internationalisation because at that time the country is the main source of company resources (Cuervo-Cazurra, 2011). However, in the case of emerging market firms, the theoretical background indicates that the CI association is not positive and these companies should omit their origin because it may generate a negative image. In particular, CI from emerging economies might transmit the image of commoditized products, with a low price and low quality (Kumar & Steenkamp, 2013; Manrai, Lascu & Manrai, 1998; Pappu, Quester & Cooksey, 2007; Usunier & Cestre, 2007). Because of
that consumers from developed markets have a tendency to prefer products from developed markets rather than those from emerging markets (Sharma, 2011). As a result, companies from emerging countries seeking to explore advanced economies may hide their CI pretending to be a local company (Tallman & Yip, 2001) or building their identity based on a third country (Magnusson, Haas & Zhao, 2008) borrowing its CI (Papadopoulos & Heslop, 2014).

Conversely, other authors suggest that the image of the emerging country may prove to be a valuable asset to the company (Chattopadhyay et al., 2012; Cuervo-Cazurra & Un, 2015; Kumar & Steenkamp, 2013). Examples of CI usage by emerging market firms are Havaianas - Brazil, Herborist, Shanghai Tang and Shang Xia – China, Coffee from Colombia - Colombia and the wine Concha y Toro – Chile (Kumar & Steenkamp, 2013). It is known that most of the firms originating in these economies are operating internationally through exports and do not yet have a recognised brand abroad. We argue that the CI can be used as a strategic resource in foreign markets because the CI’s attributes are shown to be rare compared to resources developed by domestic companies in new markets (Cuervo-Cazurra, 2011). Moreover, the CI can be used by emerging market companies which have limited financial resources for communication and building brand identity. Given this context, the CI can add value to the brand at a low cost (Spence & Hamzaoui-Essoussi, 2010), and can be used in the branding strategy as long as marketers have taken into consideration its combination with the other three variables explained in this section (country brand values, country of destination and industry).

However, companies from one country can also make use of the CI from another country, such as Reebok - a North American company - that uses the British flag on its brand. The appropriation of the CI of other countries can happen because the CI is not an exclusive property of businesses and has no legal protection, giving decision makers the
option of “borrowing in an unauthorised manner” origin images to enhance the image brands of companies (Papadopoulos & Heslop, 2014, p.19). Papadopoulos & Heslop (2014, p. 19) states that the appropriation of CI by other companies of other nationalities can be seen as “the sincerest form of flattery, this ought to please the original ‘owners’ of the respective distinctive images”.

After deciding to use CI in the brand strategy, there is still need to understand what CI’s elements can be used and how they can be applied. Based on the literature on brand, Brand Origin (BO) and CI, we identified that the company’s marketing mix - through advertising, packaging, product design, sales force among others - is responsible for conveying information about the CI in the brand, being able to incorporate them in products and all points of contact with customers (Kapferer, 2012). In the next section, we review the limited available literature that explores the strategies and tools used by companies to turn CI cues visible.

**Tools to use the CI into the branding strategy**

Companies can only make the use of CI an advantage if customers are aware of it. To use the CI, communicate it and increase customer’s awareness about it different tools should be applied (Aichner, 2014). The CI usage is articulated through the marketing mix (Kleppe et al., 2002) using textual elements (Magnusson, Westjohn & Zdravkovic., 2011; Samiee, 2011; Samiee, Shimp & Sharma, 2005; Thakor & Kohli, 1996; Papadopoulos & Heslop, 2014; Aichner, 2014); visual elements (Samiee, 2011; Thakor & Kohli, 1996; Usunier, 2011; Papadopoulos & Heslop, 2014; Aichner, 2014); natural resources (Kumar & Steenkamp, 2013); cultural resources (Kumar & Steenkamp, 2013) and the employees (Papadopoulos & Heslop, 2014) as ambassadors of this brand carrying CI elements (Kapferer, 2012; Usunier 2011).
The Brand Origin literature indicates clues about how companies communicate CI concept in their brand. BO refers to the understanding of the country in which the company headquarters are located and can be considered an evolution of the literature on CI concept. Scholars conducting research on this stream indicate that the conveyance of the CI by the brand occurs through links (D´Antone & Merunk, 2015), specifically logo, expressions, the language (Samiee, 2011) and acronyms (Usunier, 2011).

Aligned with this perspective another way of connecting the brand to a specific country occurs by understanding the language used by the brand (Magnusson et al., 2011). The spelling, the pronunciation, as well as the use of a brand name that refers to another country can also be used (Magnusson et al., 2011; Papadopoulos & Heslop, 2014; Aichner, 2014). The textual elements are often considered as the only way to incorporate the CI in the brand (Papadopoulos & Heslop, 2002; Thakor & Kohli, 1996; Usunier, 2011).

However, visual cues showing representative symbols of the country are also important to express information about the CI (Papadopoulos & Heslop, 2014; Aichner, 2014). CI can be inferred from the packaging when using, for example, flags, colours, animals, landmarks or sceneries typical of the country (Papadopoulos & Heslop, 2002; Samiee, 2011; Thakor & Kohli, 1996; Usunier, 2011; Papadopoulos & Heslop, 2014), as well as in some cases, integrating product design and brand management itself (Samiee, 2011). The image of a specific country can be further reinforced with advertisements endorsed by celebrities, personalities, artists or entrepreneurs - from the same nationality that the brand wants to be associated with - who are recognized internationally (Usunier, 2011), as by experimental association through sales atmosphere, product style and events (D´Antone & Merunk, 2015).
Another tool to communicate the CI involves the recognition of a country for having possession of natural resources (Thakor & Kohli, 1996). For Kumar and Steenkamp (2013) promoting the usage of natural resources in the production process can transform commodities into value-added products. They suggest that implementation of a process can be divided into four steps: 1) definition of a geographical region known for its unique characteristics that should be promoted as quality raw material; 2) specify production standards with transparency, increasing the entry barriers and in elaborate to result in quality; 3) authentication of production through regular and independent auditors and achievement of quality certifications; 4) international branding: announce that the geographical area is protected, restricted and has unique characteristics, as well as communicate to the consumer the value of the product with natural resource.

Another way to promote a brand proposed by Kumar and Steenkamp (2013) is related to the use of cultural resources. They suggest building the company’s brand identity based on positive cultural myths, by using cultural aspects of the CI that can add value to the brand. A nation’s culture refers to all beliefs, attitudes, aspirations, values and myths held by most people in society, as well as the characteristic behaviours, rules, customs, and norms that people follow (Kumar & Steenkamp, 2013).

Finally, alongside the tools discussed, we believe that another variable is relevant to the CI incorporation: the employees. The employees convey messages about the brand identity (Kapferer, 2012). In other words, they can connect the brand to the CI and promote it (Papadopoulos & Heslop, 2014). Employees are responsible for the development of relationships with many external stakeholders. In this sense, they are crucial for the branding objectives as they have the responsibility of delivering the promise of the brand to customers (Piehler, Burmann, & Xiong, 2016). This argument is based on the fact that people are one instrument used by brands to communicate with its
market (Kapferer, 2012). Based on this, we argue that employees play a CI ambassador role for the company. They need to be aware of their role in the incorporation of CI and be trained to support this process.

Insert table 1

There are companies that use all of the tools summarised in Table 1 in combination to ensure the CI cues are received by the audience (Aicher, 2014). These tools were taken as a reference for the collection and analysis of data in this study. Based on the literature review, we verified that most international marketing researchers suggest that companies and brands from emerging countries should omit the image of their country when they enter into the process of internationalisation. However, other researchers in the field recommend that brands from emerging countries should rely on cultural aspects and natural resources that are part of the CI to build their brands at the global level. In addition, there is also a movement of foreign brands taking advantage of the image of the emerging country. We believe that in the same way that emerging market brands can hide their origins, pretending to have a different nationality, companies from developed markets may borrow the CI attributes of other countries to build their brand.

We also identified that the studies reviewed here suggest some alternatives on how to use the CI in the brand. However, these studies do not bring together the tools that can be used in this process.

Methodology

This study uses a qualitative approach, exploratory in nature, based on the case study method (Eisenhardt, 1989; Yin, 1994). The research method adopted was the multiple case study seeking an understanding of the phenomenon, as this method allows the reality to be investigated in detail (Yin, 1994).
The industry chosen was the cosmetics industry, known to be an innovative and fast-paced industry (Kumar et al., 2006). Players within this industry are driven by the use of information systems to enhance market share, search and use of cosmeceuticals (functional ingredients) and intense R&D aiming to offer products for an ageing population and ethnic groups (Kumar, 2005). The cases were deliberately selected within the theoretical categories delineated in the article (Eisenhardt, 1989). The choice was based on similarities (industry and brands based on CI from the same country; Brazil) and differences (one company is from an emerging market and uses the image of its country to build its brand, whereas the other is from a developed market and borrows the CI from Brazil to build one brand). We choose two companies operating in the same industry – cosmetics – that match this selection criteria, Natura and L'Occitane au Brésil. Both companies are focused on offering quality products, innovation and R&D. Natura originated and is headquartered in Brazil, with industrial and commercial operations in more than one international market. It manufactures and sells consumer goods, an industry suitable for studying the incorporation of CI concepts in products as part of the brand positioning. The other company, of French origin, is L'Occitane au Brésil. This company belongs to the L'Occitane group, which created the brand using elements from the biodiversity of Brazil. The products offered by L'Occitane au Brésil range from personal care to home fragrances. In using and communicating the CI of Brazil in their brands, both companies thus provide appropriate examples for investigation under the focus of this study.

We obtained data from both primary and secondary sources to increase the validity of data collection (Yin, 1994). Primary data was collected through in-depth interviews with employees from both companies. The sampling criteria that each strategic level interviewee had to accomplish was that they had to work directly in any process involving
either branding building, branding implementation or experience in international operations. Five strategic level managers from Natura were interviewed: an Innovation Manager (who deals with product innovation), an International Logistics Manager (who dealt with Natura’s positioning in the Latin America operations for three years), the Corporate Brand Manager (responsible for the corporate brand), the International Relations Manager (responsible for all subjects concerning the brand in the international context) and a Supply Chain Manager (responsible for choosing suppliers in accordance with the brand values). We attended several seminars at higher educational institutions where managers from Natura presented the Brand and other topics linked to the brand development.

The company L’Occitane is headquartered in France and operates in Brazil through an in-country office. The number of employees involved in the branding process of the L’Occitane au Brésil brand is, therefore, smaller than in the case of Natura. We conducted interviews with the managers responsible for developing the brand (the Corporate Communication Manager at L’Occitane en Provence in the Brazilian market) and the Production Manager responsible for managing all the suppliers of the brand that carries the Brazilian CI. Also, we interviewed an International Logistics Manager of the brand and three sales employees working at the first retail store to be dedicated only to the L’Occitane au Brésil brand.

To conduct the interviews, we developed a semi-structured script based on the literature review and on the categories of analysis covering issues about the brand positioning in the markets in which they operate, the attributes used to build the brand, the CI attributes used by the companies and how they use them, by giving examples. Each interview, with managers from both companies, lasted about an hour. They also offered to help with other documentation sent subsequently. We accessed secondary data through
academic papers, information available on the websites of each company, reports and direct observation.

Insert table 2

The interviews were evaluated based on the discourse analysis technique, seeking evidence on how the company incorporated the attributes of the CI in the brand (Kvale, 1996). The content of the speech was considered, and the interpretations were based on their transcripts. To reach internal validity, we did a double check of the analysis and undertook comparisons with secondary data. The categories of analysis investigated were: the decision to use the CI of an emerging country; the strategy of using the CI in the development of the brand, especially analysing the tools here proposed; visual and textual elements; cultural and natural resources and; employees.

All the managers were accessed with the help of the corporate brand manager of each company. The number of interviews was enough to identify the CI tools based on the fact that the findings analysed through primary and secondary data converged.

Units of analysis

Natura Cosméticos S.A. is a Brazilian origin company engaged in the manufacture, industrialisation, distribution and sale of cosmetics, fragrances and toiletries with the brand Natura. It operates in Chile, Peru, Argentina, Mexico, Colombia and France. Its international operation is mainly concentrated in Latin America (LA). In the European market, the company seeks to acquire knowledge to compete with larger opponents and strengthen its brand globally, while in Latin America, it seeks to develop new markets, that is, expand geographically (Zilber, Mora Júnior, & Silva, 2010).

Natura defines some fundamental attributes related to the brand. Among them, Sustainable Development, Naturality, Brazilianness, Innovation and Biodiversity stand
out. The concept of Brazilianness at Natura determines that the company is a legitimate expression of being Brazilian. The welcoming, joyful and fun way, the valuation of diversity, culture, wealth and Brazilian traditions are considered in this attribute. Innovation is also an attribute related to the brand Natura. The company is acknowledged for its commitment to product innovation (Jones & De Pinho, 2007). It dedicates part of its revenue to this allowing the company to achieve high innovation rates (Sutter, Vasconcellos & Polo, 2014). Brand values draw on the biodiversity of Brazil and are based in research into materials originating in Brazil, and in seeking to technically and legally allow the use of Brazilian natural sources as a platform to develop its products (Natura, 2013).

The brand L'Occitane au Brésil was launched in 2013 and follows the same principles of the brand from which it is derived (L’Occitane en Provence), extracting from that place unprecedented natural ingredients and seeking to learn more about the local culture. In the Brazilian market, it operates with more than 50 stores. In addition, during the 2014 World Cup it was in 47 countries through corners within 1500 L’Occitane en Provence stores. Part of the product range is now available on line in several countries.

L'Occitane au Brésil is also based in the biodiversity of Brazil with different lines of wellness and beauty products being developed from ingredients extracted from different Brazilian forests. The brand carries the “Brésil” name; it also features Brazilian artists, illustrators and architects to build the visual communication of each line (L’Occitane, 2015). The retail, displays and furniture associated with the brand were developed by a Brazilian designer who applies the concept of Brazilianness in his projects privileging the Brazilian culture.
Findings

In this section, we first analyse data from each case, before comparing the cases to identify elements to be discussed as results.

Natura cosméticos

In its internationalisation process, especially in the Latin American (LA) markets, Natura decided to highlight its corporate brand. The managers of the Brazilian company believe that because the company is Brazilian and is situated in a neighbouring market to its target geography, there is no need to strengthen the aspects of Brazil’s CI. The managers understand that Brazil’s CI is already part of the Product and company, and therefore believe that the consumers from those markets are aware of the product’s origin. On the other hand, in France, Natura enhances its origin to French consumers. According to the managers interviewed, France is characterised by having a mature market, with large competitors that develop and distribute products of cutting-edge technology to demanding consumers. In this market, Natura needs to stand out in a different way rather than on innovation and opted to use the CI attributes in its brand in that market, even adding the name “Brazil” to Natura in its store in Paris.

Another aspect that made Natura place emphasis on Brazil’s image in the French market is that this country has a positive image of Brazil. France appreciates Brazilian nature and way of life. Natura realised this when France promoted the Brazil year in France in 2005. This reinforces the need for positive image identification by the country of destination (Cuervo-Cazurra and Un, 2015; Đorđević, 2008). The difference in the way the company uses Brazil’s CI is justified by the target market stage of maturity. In Latin America, the CI attributes are not considered a novelty; they are part of the product’s identity, so they are not used strategically. However, in France, the company
enhances the CI to French consumers and explains the concept of Brazilianness because “to enter the French market we had to offer something different to a mature market, so we emphasised the fact that Natura is Brazilian. Our store in Paris carries the name of Brazil – Natura Brasil. In Latin America, due to the proximity of the markets, we emphasise the values, the essence of the brand, being Brazilian is not as relevant”

Networks and Innovation manager – Natura.

On the other hand, the level of internationalisation of the company also influenced the decision to use CI into Natura’s brand in both markets. Natura has operated in Latin America since 1982 and is now present in five countries having logistics investments, distribution centres and local production through partners (Natura, 2015). It started its operation in France in 2005, and its main operation there is sales through Natura consultants, through the website and the store located in Paris. According to Natura “our model in France helps us to capture trends, strengthen the international position of our brand and brings learning in multi-channel sales experience”. This demonstrates that the company may be aware of how much it can use Brazil’s CI attributes to distinguish its offer (Beverland & Lindgreen, 2002) and explores the CI in a country that has a positive image of Brazil (Chattopadhyay et al., 2012).

The findings show that Natura’s branding strategy draws on the natural and cultural resources. Evidence was collected on the website of the company, from advertisements and from the interview transcripts. Natura uses natural resources in its strategy with ingredients extracted from the Brazilian biodiversity, such as Pitanga, açaí, andiroba and acerola. “Natura’s products incorporate the Brazilian biodiversity that is mostly found in the Amazon area”. The company explores the miscegenation of the Brazilian culture to build and promote its product portfolio as evidenced by the innovation manager “We also invest in cultural projects bringing in exclusively the Brazilian culture,
through musical projects, theatre, among others. In 2015, we hired a Brazilian singer to *compose the soundtrack for the new advertising campaign*. The company also encourages relationships between consultants and clients in a jolly mood with warmth, spontaneity, hospitality and “tools that refer to the sensory olfactory of products, fragrance or essences typical of Brazil”.

Natura also uses the CI through visual elements in communication. We identified it in advertising, catalogues and websites that show images of Brazil, emphasising the country’s natural resources, ethnic diversity and the Brazilian lifestyle. In the products and packaging the CI usage is communicated using resources from the Brazilian biodiversity, in particular the raw material used in packaging, illustrations and colours. Natura also makes use of textual elements: some product lines have names related to Brazil. Also, in Europe, the brand name is followed by the name of the country, “Natura Brasil” reinforcing its origin.

Other instruments that can convey the CI in the branding strategy were identified such as senses (hearing, smell and touch). Natura uses Brazilian music in TV commercials and on the website, and Brazilian scents in their products. Another element used by Natura to convey Brazil’s CI is through the relationships between consultants and clients. Natura trains its salespeople and workers to tell the story of each product line.

*L’Occitane au Brésil*

After entering Brazil, L’Occitane decided to use Brazil’s image, building a new brand using Brazilian elements to develop and promote its products. It hired professionals with know-how about the Brazilian culture to develop the visual brand communication. L’Occitane au Brésil understood that the use of Brazil’s CI is recognised by its audience.
The company borrows it (Papadopoulos & Heslop, 2014) and employs it positively in its marketing plan (Samiee, 2011; Cuervo-Cazurra & Un, 2015; Đorđević, 2008).

The findings indicate that the brand L’occitane au Brésil uses cultural resources to build its brand. It relies on Brazilian arts, trying to show the other side of Brazil that does not further emphasise football, an element of the Brazilian identity that ends up becoming a stereotype of the country. To overcome this stereotype, L’Occitane au Brésil uses Brazilian artists in the development of the brand, hiring Brazilian illustrators, architects and artists to build the visual communication of the product lines (biomes) and stores. Another element explored is the miscegenation and the diversity of Brazil through the cultural aspect generated by this mixture, rather than worshiping the body and sensuality of Brazilian women. The brand tries to transmit the story about the lifestyle of the people where the natural ingredients come from, using videos and testimonials available in stores and on the company’s website (the company conducted several ethnographic studies in different forests of Brazil to capture those testimonials). The brand manager says that it is the stories about the lifestyle of Brazilians that the brand L’Occitane au Brésil wants to take to other countries.

Evidence also showed the usage of natural resources of Brazilian CI by L’Occitane. It uses natural resources from Brazilian forests to produce its products. They are extracted from the region of six different forests of Brazil. The operationalization of the appropriation of Brazil’s CI in L’Occitane au Brésil was also identified through textual and visual elements. With regard to textual elements, evidence confirms that the French company carries the name of the country in its brand. “L’Occitane au Brésil” is present in the facade of the store, the website domain and at all points of contact with the customer (packaging, uniforms of employees, products, amongst other elements). The graphics used by the product lines is also associated with Brazil since the company hired
Brazilians artists, designers and illustrators to build the visual identity of each product line. In the store, there are sayings and expressions with graphics and fonts that recall Brazil. Prices are hand-written on whiteboards by staff using chalk, conveying the relaxation and simplicity that are typical of the Brazilian lifestyle. Also, images of the biomes of Brazilian fauna are incorporated in the store’s displays for each product line.

The visual elements used by the French-owned brand are identified on the packaging of the products, which contains illustrations of the raw materials from Brazil. Each product line has been developed based on the extraction of natural resources from six different regions of Brazil, each line is identified by a flower (Pantanal by aguapé, Amazon by water lily, Caatinga by mandacaru, Cerrado by genipap, Araucárias Forest by araucaria and Atlantic Forest by bromeliads). The visual communication is marked by the use of the biomes of the flowers, images and illustrations that are present on the website, inside the stores, on the packaging and on videos that tell the story of each product line.

The layout of the store was designed by architect Marcelo Rosembaun who sought references in the street markets and at São Paulo’s Municipal Market. The lines are endorsed by Brazilians artists, designers and illustrators, following the recommendation of Usunier (2011).

L’Occitane au Brésil also conveys Brazil’s CI through the senses (hearing, smell and touch): the brand uses touch on the packaging, for example, the package of a product of the Araucaria line is embossed in the form of a tree leaf. Smell is explored in the products and hearing through the soundtrack playing at the store and promotional videos. Another important tool used by L’Occitane au Brésil is the employees. The company trains its sales force to understand and explain to its customers how each illustrator developed the communication and visuals resources of the lines.
Natura and L’Occitane au Brésil

The data analysis indicated that both companies use the five tools identified in the literature. Table 3 details how each company use those tools.

Insert table 3

We could also verify the rise of another tool to incorporate the CI: the use of senses, making the association between CI and brand more experiential (D'Antone & Merunka, 2015). The senses identified in the CI incorporation are the touch in the packaging, the listening/hearing with the adoption of Brazilian songs at the points of contact with the customer and the smell through the use of fragrances from the raw material of the country. The 6th tool, along with the other five, can be used in combination by the company to make the image-creating moment (Kleppe et al., 2002). The findings presented here are in line with the literature (Magnusson et al., 2011; Papadopoulos & Heslop, 2002; Samiee, 2011; Thakor & Kohli, 1996). Figure 1 presents the tools that can be used by companies to use CI into its branding strategy.

The cases analysed in this study, specifically in the cosmetics sector, indicate that the CI usage in the development of a brand is still relevant and that emerging market CI can also be positive. Those findings are contrary to what part of the literature on CI states (Kumar & Steenkamp, 2013; Magnusson et al., 2008; Manrai et al., 1998; Pappu et al., 2007). However, other authors have found prior evidence that the CI of an emerging country may prove to be a valuable asset to the company by associating its brand with positive images that delight the consumer (Chattopadhyay et al., 2012; Magnusson et al., 2008) in line with our findings.

One of the strategies suggested in the literature for brands from emerging countries relies on the hiding or obscuring of the CI by pretending to be a local company or in the development of an identity from a third country (Magnusson et al., 2008;
Chattopadhyay et al., 2012). In this study, we observed the opposite movement; a French company taking advantage of an emerging country image to build its brand. This CI appropriation may be due to the fact that Brazil has positive natural and cultural resources (Kumar & Steenkamp, 2013) that are valued especially by the cosmetics’ consumers. The speech of the L’Occitane’s Operations Manager endorses it by saying “Baussan (owner of the company) found in Brazil the climate, nature, cultural diversity, wealth of natural resources and the human warmth he was looking for. That is why Brazil was chosen as a platform for the development of a new brand.”

The results regarding the use of senses reinforce the suggestions highlighted by D’Antone and Merunka (2015) for a more experiential association between company and CI with the senses: touch, smell and hearing. The findings also revealed that Brazil’s CI proves to be a valuable asset for companies in the cosmetic industry. It was also possible to identify that both brands use natural and cultural resources from Brazil as strategic elements of the brand. It is worth noting that the French company appropriates Brazil’s image with greater intensity and property than Natura, by using various tools and elements of interaction with the customers (endorsement of artists, language, visual identity, staff training, etc.), while Natura incorporates Brazil’s image in a timid manner, reinforcing the CI only in the European market. However, one cannot rule out the suspicion that the incorporation of Brazil’s CI, by Natura, may be less intense than L’Occitane, because the Brazilian company feels insecure in making such association. Based on the different levels of Brazil’s image incorporation by Natura, we argue that the country of destination may play an important role for marketers to decide whether to use or not the CI (Cuervo-Cazurra and Un’s, 2015).
Discussion

The results showed the way that companies can operationalize the CI in a branding strategy. These tools can be reflected in all the points of contact with the customer by means of a) textual elements with the usage of the name of the country, use of language, expressions, signs representing the country, typical typefaces and design of spelling the words; b) visual elements: showing images from the country, image of raw materials, colors from the flag, scenery, wood engravings, symbols typical of the country (such as animals), natural scenery in the background, use of the image of artists to endorse and sign the visual identity of the brand, use of the name of the country in the staff uniform; c) employees, by giving them instructions and training about the importance of CI to the brand. They are expected to know the benefits provided by the natural resources and the story of each artist used to build the brand; d) natural resources by using natural resources from the biodiversity of the country and highlighting its properties; e) cultural resources: via the exploration of the lifestyle, the popular events of the country and associations with the cultural production of the country, and f) senses - hearing music from the country on the website and in the points of sale; smell through the usage of essences and fragrances of raw material in the product and the points of sale and touch through the embossed packaging working the sensorial aspect into the brand. Hence, when using CI’s cues, marketers must decide which tools should be combined. Based on the findings we propose a framework (figure 2).

Insert figure 2

Our findings also pinpoint the way each brand uses Brazil’s CI in their branding process within different markets. The data indicates that Natura has succeeded in using Brazilian CI in Europe, in particular, with the Ekos product line. Conversely, in its Latin American operations, the company highlights the brand values instead of the Brazilian CI
aspects. The company prefers to market the corporate brand in LA because their operation is already stable there (since 1982) and the consumers are aware that the company is Brazilian. The company states that they do not emphasise the Brazilian CI in LA because of their level of internationalisation there, in line with the arguments presented in the literature review. Nonetheless, we believe that there is a good match concerning Brazil's CI and the cosmetics industry (Usunier & Cestre, 2007) and that Natura could benefit more from this in any market.

From another standpoint, we think that the low emphasis on Brazil’s CI in LA markets could be related to a possible lack of confidence by Natura with regard to other elements encompassed within Brazil’s CI, for example, corrupt political agents, social inequality, lack of infrastructure and problems due to violence (Casanova & Kussan, 2015) that are not positive associations for the brand. This concern reveals that brands from emerging markets may not be aware of how to make the most out of their CI as a resource, and may still face fragments of the emerging market stigma (Magnusson et al., 2008). This argument reinforces the importance of developing a marketing capability to maximise CI’s usage.

On the other hand, the findings indicate that the French company recognises value in Brazil’s CI and makes full use of it by building a brand dedicated to and relying on it. L’Occitane associated with the Brazil’s image without omitting its origin because the brand value of the parent company has already been recognised by its target audience. Therefore, the French brand saw in the association with Brazil’s image an opportunity to deliver more value to its customers and borrowed the Brazilian CI to build a new brand (Papadopoulos & Heslop, 2014). The branding capability level of L’Occitane, its knowledge about the markets and the strength of the Group’s name enabled the company
to benefit from Brazil’s CI employing it in depth and various ways. Based on these findings we delineated the following proposition:

**Proposition.** The beneficial use of CI is associated with the brand capability of the company to articulate the CI tools.

The study also points that Brazil’s image seems to be positive in the context of the cosmetics industry and can make use of natural and cultural references that appear to be valued by consumers (Dordevic, 2008). However, what about using it in the aircraft industry? Would the incorporation of Brazil’s image be positive? Probably not. What about fashion products? By analysing different industries, it will be possible to identify empirically that some countries can generate more legitimacy in some cases than in others (Beverland & Lingreen, 2002; Fan, 2010) and that the industry of the company plays an important role on the decision to use the CI (Usunier & Cestre, 2007).

This reflection leads us to assume that other variables such as the country of destination (Cuervo-Cazurra & Un, 2015; Beverland & Lingreen, 2002), the country brand values (Dordevic, 2008) and the level of internationalisation should be considered by researchers as moderating variables to the CI usage. Our findings shows that those variables should also be analysed by marketing managers regarding whether or not to associate a CI with a brand. This decision is strategic and has to consider different external variables and the branding capabilities of the company. In this sense, the marketing managers need to gauge accurately whether the country brand values match the company and the industry values. After that, they should understand whether the country of destination audience has a positive image regarding the CI. Along with that, the company should recognise whether the CI is valuable for its brand given its level of internationalisation within a specific country. All these variables should be carefully
analysed to make the CI incorporation or appropriation into brand a valuable resource for the company.

**Final Considerations**

The analysis of the cases evidenced CI tools from an emerging market that can also be used in different contexts. The examination of the cases using CI from an emerging market helped us to delineate tools for CI usage that can be used both by companies originating in the country (incorporation of CI) and by companies of other nationalities (borrow or appropriation of CI) in different contexts. The CI used (incorporated or appropriated) has to be recognised by its target audience. Moreover the cases indicate that even if the CI is from an emerging country, it can still be valuable, depending on the industry.

The empirical study answered the research question “How do companies operating internationally use attributes from CI in the development of their brands?”. The study also provided an understanding that, despite Brazil being a country from an emerging economy and with an image still challenged by political and economic aspects, in the cosmetics industry the usage of CI is beneficial, weakening the arguments proposed by some authors (Magnusson et al., 2011; Usunier & Cestre, 2007). The findings helped us achieve the specific purpose of the research, by identifying the tools used in the incorporation of CI into branding strategy as well as allowing us to detect the CI’s attributes employed by the companies. The results of the study answered the question proposed based on the theoretical review and identified a new tool for incorporating CI (the senses).

Most of the literature on CI is focused on the behaviour of the final consumer (Usunier, 2006; Peterson & Jolibert, 1995; Carneiro & Faria, 2016). The framework that
we propose in this article has the company as the unit of analysis. To the best of our knowledge, this is the first paper that offers categorised CI tools from a business perspective. From this viewpoint, existing studies analyzing CI incorporation have provided some cues to develop CI on brand (Agrawal & Kamakura, 1999; Spence & Hamzaoui Essoussi, 2010; Baker & Ballington Dordević, 2008; Chattopadhyay et al, 2012; Kumar & Steenkamp, 2013; Herstein, Berger, & Jaffe, 2014; Cuervo-Cazurra & Un, 2015; D'Antone & Merunka, 2015), but have not organized them into a framework.

As a theoretical contribution, the study outlined tools that may help researchers develop new instruments to understand the importance of CI usage in brand strategy. It also showed that in the branding strategy the CI usage could be operationalized using different tools. Furthermore, our findings can be used as a framework for data analysis, contributing to the request from scholars in the area (Herz & Diamantopoulos, 2013a, 2013b; Magnusson et al., 2011). It connects two fields of study (international marketing and branding) showing that the CI continues to be an important subject and deserves more attention when the unit of analysis is companies and brands, in particular, from emerging countries.

The study also presents a managerial contribution to marketers. It highlights the tools that marketing managers can use in order to incorporate/appropriate the CI into the brand strategy, the way that it can be used, as well as its nuances that may be part of the brand identity. In the case of the CI of emerging markets, it helps marketers to understand whether the company should or should not show the qualities of a particular country (La, Patterson & Styles, 2009). It also assists marketing managers in the selection of the tools to be included in communication with the market, helping to mitigate signs that might evoke an unfavourable CI attribute for the brand (D'Antone & Merunka, 2015).
We used an exploratory and qualitative approach. Therefore our findings can only be analysed in the context of the cosmetics industry and the Brazilian image. There are other aspects in the incorporation of CI that need more attention, notably the resources and capabilities in marketing articulated by the company and the CI value recognition by the company. We recommend future studies taking other CI and industries as a reference. This would allow other tools to emerge that were not covered in these cases, such as the usage of country-specific labour force skills. In addition, a future study from the standpoint of the consumer standpoint could compare how both brands are perceived in different countries.

Further research, using a quantitative approach, should also be developed to generalise results. The framework delineated in this research can be studied in light of the resource-based view (RBV) of the firm and may extend this literature if CI proves to be an asset for the company. We recommend future studies to develop a scale to measure the importance given by the company to CI usage and connect it to the RBV literature to evaluate whether the CI tools can be a source of advantage (based on these cases we would hypothesise natural resources, cultural resources and employees). With new studies supported by RBV and a quantitative approach it will be possible to outline strategies as to how companies should deal with the CI in their brands, and a better understanding of the barriers that prevent a country from capitalizing, based on their specific advantages through the development of strong brands, equipping both the managerial and political field in terms of the development of the CI theory.

On behalf of all authors, the corresponding author states that there is no conflict of interest.
References


<table>
<thead>
<tr>
<th>Tool</th>
<th>Elements used</th>
<th>Authors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Textual elements</strong></td>
<td>Association of speech, language, spelling, pronunciation, acronyms, name of the country, expressions, signs, graphics, logo.</td>
<td>Magnusson et al. (2011a); Samiee (2011); Samiee et al. (2005); Thakor (1996)</td>
</tr>
<tr>
<td><strong>Visual elements</strong></td>
<td>In the company’s communication, through the product, on the product packaging, product design, company’s advertising: Flags, colours or typical scenarios that recall the COO of the brand. In advertisements using endorsement by celebrities, artists or businessmen with the same nationality of the brand and who are recognized internationally.</td>
<td>Samiee (2011); Thakor (1996); Usunier (2011)</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
<td>Instruction and training of employees to talk about the brand origin.</td>
<td>Kapferer (2012); Usunier (2011)</td>
</tr>
<tr>
<td><strong>Natural resources</strong></td>
<td>Use of raw materials typical of the COO in the production process and capacity to transform commodities into value-added products.</td>
<td>Kumar and Steenkamp (2013)</td>
</tr>
<tr>
<td><strong>Cultural resources</strong></td>
<td>Building the company’s brand identity based on positive cultural myths, incorporating cultural aspects of the COO that can add value to the brand. A nation’s culture refers to all beliefs, attitudes, aspirations, values and myths held by most people in a society, as well as the characteristic behaviors, rules, customs, and norms that people follow.</td>
<td>Kumar and Steenkamp (2013)</td>
</tr>
</tbody>
</table>

Source: Authors
### Table 2 - Study data sources

<table>
<thead>
<tr>
<th>Case</th>
<th>Primary data source</th>
<th>Secondary data source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natura</td>
<td>Five managers (Innovation Managers, International Logistics Manager, Corporate Brand Manager and International Relations Manager, Supply Chain Manager).</td>
<td>Materials from presentations with the company’s executives, academic papers about the company, data available on the company’s website, analysis of reports (available at: <a href="http://www.natura.com.br/">http://www.natura.com.br/</a>) and document analysis</td>
</tr>
<tr>
<td>L’Occitane au Brésil</td>
<td>Three managers (Production Manager, Logistics Manager and Corporate Communications Manager) and three salespeople (saleswomen working in the stores of the brand).</td>
<td>Company documents, reports (available at: <a href="http://br.loccitaneaubresil.com/">http://br.loccitaneaubresil.com/</a>), academic papers and other secondary data available.</td>
</tr>
</tbody>
</table>

Source: Authors

### Table 3 - Tools to use the CI in the branding strategy

<table>
<thead>
<tr>
<th>Tool</th>
<th>Case</th>
<th>Natura</th>
<th>L’Occitane au Brésil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Textual elements</td>
<td>Brazil’s name on Natura store in Paris.</td>
<td>Brazil’s name on L’Occitane au Brésil brand and use of language, expressions, signs representing Brazil (wood engraving, prices written out on the blackboards with chalk reminding of traditional street markets).</td>
<td>Images of Brazil and Brazilian raw materials. Use of colours of Brazil, scenery, images, symbols typical of the country (such as animals), natural scenery in the background. Endorsement with Brazilian artists to build the visual identity of each line of the brand and identity of the store and brand. Use of photographs of Brazil, the country’s name in the staff uniform.</td>
</tr>
<tr>
<td>Visual elements</td>
<td>Images that remind of Brazil in communication (reinforced in Ekos line).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senses: hearing, smell and touch.</td>
<td>Brazilian music on the website.</td>
<td></td>
<td>Brazilian music on the website and in the points of sale. Smell through the raw material of the products; touch through the embossed packaging.</td>
</tr>
<tr>
<td>Employees</td>
<td>The brand emphasizes the relationships between consultants and clients, the joy of living receptivity.</td>
<td></td>
<td>Instructions and training of employees, explaining the origin of each product line with attributes of Brazil’s CI, the benefits provided by the natural resources and the story of each artist who developed the visual identity of each one of the lines of the brand.</td>
</tr>
<tr>
<td>Natural resources</td>
<td>Typical raw materials of the country</td>
<td></td>
<td>Typical raw materials of the country</td>
</tr>
<tr>
<td>Cultural resources</td>
<td>It explores miscenagation of the Brazilian culture to build lifestyle and cultural aspects of the Brazilian regions.</td>
<td></td>
<td>It hired Brazilian artists to build the brand, exploring the cultural aspects of the Brazilian regions and promote its product where the natural resources used in the lines of the brand come from.</td>
</tr>
</tbody>
</table>

Source: Authors
Figure 1 – CI tools that can be used by the Brand  
Source: Authors

Figure 2 - Dimensions and tools that may influence the CI use into the brand

Source: Authors