

BRANDING IN DOMESTIC AND GLOBAL PRACTICE ON THE EXAMPLES OF “NESTLE” AND “ROSHEN” COMPANIES

What is branding or brand-management? Branding provides the creation of systems of values referring to some particular product or brand, namely: sympathy to a product which is formed of a common impact on a customer of the advertising messages, brand, packing or elements of communication with a customer, which are combined together by the idea and brand design, that distinguish this product among the competitors and create its own image.

Brand-management combines some creative efforts of the advertisers, advertising agency, trading companies and other agents; also it helps to:

- Maintain scheduled amount of sales on the particular market;
- Provide the profitability increase due to the product assortment expansion;
- Pass the culture of the district, where the product was produced, onto the advertising materials and campaigns;
- Use the factors which are important when contacting the advertising audience: historical roots, national mentality, up-to-date events and perspectives.

Analyzing different markets, involuntarily you can notice evident differences between domestic and global brands. We can talk a lot about different brands, but in my research I'm interested in the idea of comparison of two of them (domestic and global), which produce similar goods.

So, I offer to you my research of strategic policies of two sweets manufacturers “Roshen” and “Nestle” (see table 1) according to the next criteria:

1. The original history of the company;
2. The policy of development and production;
3. Goods and the methods to advertise them;
4. World recognition.

Table 1

	<i>ROSHEN</i>	<i>NESTLE</i>
1	<ul style="list-style-type: none"> - One the biggest sweets producers in Ukraine; - Name of the company – it's the part of its founder's surname P. Poroshenko 	<ul style="list-style-type: none"> - The biggest producer of food , including sweets; - Name of the company – it's one of its founder's surname A. Nestle
2	<ul style="list-style-type: none"> - This corporation works according to the “umbrella” method (it enlists and opens new factories and branches, supporting its brand same time) - Production – usage of modern equipment, following the production technology, usage of high-quality raw materials(partly of its own production) 	<ul style="list-style-type: none"> - This corporation works according to the “invader” method (it buys control share pack of the company which has already formed its own sales network and customers market in particular region); - Production – in each country the production is based on the treasury factories; “Quality of the food – is a quality of the life” it's the main Nestle credo
3	<ul style="list-style-type: none"> - It advertises its own brand using the features of the region where the product will be sold 	<ul style="list-style-type: none"> - It doesn't advertise its own name but uses the brand name of the company which has been added to the corporation
4	<ul style="list-style-type: none"> - 18th place in the world rating «Global Top 100 of Candy Industry» 	<ul style="list-style-type: none"> - 4th place in the world rating «Global Top 100 of Candy Industry»

The main diversity of these two companies is a policy of their development and corporation expansion methods: “Roshen” opens new branches using its own name in different world regions(the only exception is the “Bonbonetti” line of sweets which is produced by “Roshen” but has its own brand and own market of customers); and “Nestle” – buys already famous companies in different countries and then develop them. So, it’s little-known fact that Lviv “Svitoch” company, Czech “Orion”, American “Butterfinger”, English “Aero” and “Kit Kat” – now they are the parts of a big “Nestle” corporation.

References:

1. Marketing : study book / Krykavskyy E.V . – Kyiv : Znannya, 2009 . – 1070 p. –ukr. - ISBN 978-966-346-629-3.
2. <http://www.candyindustry.com/Top25candycompanies>