

just hidden behind the ultimate escape route of economists - the academically reliable, but managerially deficient caveat of "all other things being equal".

This is because, on the one hand the more communications channels there are, the easier it is to participate in them and, on the other hand, by the fact that such participation is selective with such selectivity influenced heavily by cultural differences.

The overall net result likely from cultural convergence is richer, individual cultural tapestries which are more complex and more demanding in interpretation, and to tap into. This is especially so in the developed economies, where as people get better educated and more affluent, their tastes actually diverge.

Consequently, relating to the various cultures will require increasingly individual approaches.

Indicative of this has been the history of "international brands". For consumers, they are now very much past tense as aspirational goods and services.

Consumers generally have experienced the "international" pitfalls - the frustrations of airports, the discomfort of flying, the plastic economies of traveling. The glamour of "international" has been heavily devalued. Many brands which have attempted to cling to international associations have ended up as everyday price fighters.

As consumers have experienced such international reality and responded accordingly, advertising has increasingly given up the symbols of international branding. These have been replaced by the realistic and everyday world of real human experience which people automatically and extensively relate to.

In its rationale, Saatchi's touches indirectly on the problem but makes no clear effort to come to grips with it in stating:

"Local customs, language, media availability and, not least of all, local invested interests, will militate against easy decision making in the framing of international brand positioning strategies. Equally, in the quest for a common position, the drift to a 'lowest common denominator' has to be avoided."

In summary, Saatchi would like to establish for various brands, high powered central propositions and advertising com-

mon to all markets yet relevant to, and compelling for each market. And this is commendable.

Right at the moment, there is no hard quantifiable evidence to confirm that the Saatchi vision of Global Advertising is more powerful than strategic concepts developed and executed to be as relevant as is possible to individual markets, which differ culturally and economically. Also Levitt, despite his vision of total worldwide standardisation, offers no quantitative proof that it works.

In anything, the academic and practitioner evidence both qualitative and quantitative currently available is strongly in favour of tailoring advertising in most instances to the local culture to maximise its relevance to customers and, in turn, to maximise its resistance to the competition. Obviously, there are opportunities where strategies and advertising executions can be transferred from one geographic marketplace to another, but not in all markets given cultural and different degrees of competitive development by brands.

If the Saatchi global concept were to be implemented, there is a case to be made that local brands might be able to compete even better provided they could position themselves in a way to be more relevant.

Wentworth Hill

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## NEWS

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### ABC MOVES TO ESTABLISH SUBSIDIARY COMPANIES

It is proposed to amend the Australian Broadcasting Corporation Act 1983 to provide for subsidiary business companies. Such companies are designed to increase revenue for programming purposes for the ABC. The amendments to the Act have now been introduced into Parliament.

The activities which are considered appropriate for business companies include the marketing of satellite program services, concert entrepreneurship, ABC publications, ABC program sales, audience research and hiring of spare ABC capacities.

The setting up of the subsidiary companies will enable the ABC to use private capital to provide a more comprehensive range of services.