Re-Mapping Centre and Periphery

Hauswedell, Tessa, Körner, Axel, Tiedau, Ulrich

Published by University College London

Hauswedell, Tessa, et al.
Re-Mapping Centre and Periphery: Asymmetrical Encounters in European and Global Contexts.
University College London, 2019.

For additional information about this book
https://muse.jhu.edu/book/81370

For content related to this chapter
https://muse.jhu.edu/related_content?type=book&id=2772671
Mediating Hybrids: Consumption and Transnationality

Hermione Giffard

Introduction

Despite its local nature, consumption is an important activity for establishing an individual’s sense of the global. Looking into the twentieth century allows us to chart a new relationship of the global and peripheral. Indeed, consumption is an activity that took on even more intensity in the twentieth century, while global supply chains affected ever more people. Because the subject of this chapter – multi-national companies – became particularly powerful in the twentieth century, and because consumers in the peripheries eventually gained financial clout – and thus a new kind of influence – this chapter focuses on the later century. In this it complements the earlier focus of the other chapters because it lets us see clearly relationships that were less visible in earlier periods when branding was not aimed at the individual consumer.

As companies that sold goods in different national contexts in the late twentieth century, multi-nationals, were particularly significant in establishing individual views of the global because through their advertisements they combined local understandings of consumption with visions of the global. Multi-nationals were important mediators between the local and the global; they spread peculiar things that do not fit neatly into the categories of transnational history: hybrid images, or locally tailored impressions of the global.

There have always been more people in the periphery than the centre and so we need to take seriously the ways in which they exerted influence on the centre. Consumption was a key way in which peripheries could influence centres – at least when their consumption became
more global. The timeframe that this chapter will focus on, the 1950s and 1960s, makes it fitting to talk about asymmetries and their ramifications rather than periphery and centre: asymmetries of power, of size and of wealth. This chapter will focus particularly on asymmetrical encounters in the realm of consumption between providers and consumers.

Consumption is particularly interesting in this regard. It is uniquely placed to reverse asymmetries of power, due to the fact that providers are influenced by consumers. At the same time, smaller countries have reversed asymmetries by creating multi-nationals, thereby influencing world markets beyond what their size might lead scholars to expect. Of particular interest here are two types of asymmetry: firstly, that between consumer and supplier; and secondly, that between small countries, with few consumers but multi-nationals, and large countries, with many consumers and few multi-nationals.

Thus this chapter is not focused on how objects move between places, but rather how influence, through consumption, can travel against asymmetries – particularly from ‘weaker’ consumers to ‘stronger’ consumers through multi-national companies. Like so many things, this is fundamentally a question of how the global and the local interact. In the two examples of Dutch multi-national companies studied here, Heineken and Unilever, two different types of interaction between global and local are evident. Both underline asymmetries: after the Second World War, Heineken chose to advertise a single product around the world, using local visions of the global to sell its single product, while Unilever focused on catering to national markets, using the local to give the global legitimacy. Although Heineken’s strategy is that most frequently connected with the idea of homogenization through globalization, this is perhaps too simple an analysis. Unilever caters to the local, but uses it to sell products of global concern. At the same time, however, the company offers a powerful channel for the local to influence the global because it operates across markets around the world. Heineken, meanwhile, uses local semantic codes to craft its supposedly hegemonic image of the global for each market.

Whether companies generate desires among consumers or respond to them is a point of contention in the literature about consumption. One recent suggestion by A. A. A. de la Bruhezé is to consider these processes as intertwined. Companies can be seen in this view as ‘mediators’ between consumers and producers.¹ Any action ‘creating’ desire among consumers reinforces the asymmetry of producers and consumers because the company is stronger, whereas ‘following’ reverses it because the stronger party (the company) fulfils the wishes of the weaker party (consumers).
Most importantly, mediation suggests a two-way flow between groups with different (but not necessarily independent) interests. Multi-nationals, too, can usefully be understood as mediators of global images.

Visions of the global were always mediated. Even when this apparently started to end – around the time of the first world’s fair, held in 1851 in the Crystal Palace in London, the ‘Great Exhibition of the Works of Industry of All Nations’– it was changing rather than disappearing. World’s fairs functioned as a form of local re-enactment of the global, where foreign places were represented in familiar terms to local people. In so far as states or nations created pavilions at world fairs dedicated to their industrial or cultural output, the fairs served to link consumers and producers, but the message was still mediated in a way that became unnecessary once the rise of tourism and television enabled people to make images of ‘the global’ for themselves (and test received images). Yet along with reading (mediated by the author), images (mediated by artists), or gossip (mediated by travellers and non-travellers), world’s fairs (or ‘Expos’ from 1967), and what came after them, were just differently mediated visions of the global – and were treated that way by consumers. Despite being open to exotic goods from abroad, people always consumed renditions of the global within a local context. The global began as a mix of images of foreign places before morphing into a broader concept; the changing nature of trade, including the rise of multi-national business enterprises, was an important contributor to this shift. The authors, if not the power, of these mediated images changed over time.

The transnational nature of consumption raises many questions about its importance in creating the categories of the global and the local. Consumption has been transnational for a long time; as a consequence, although the nature of consumption has changed, openness towards the global through consumption has remained. Trade has always been important to shaping individuals’ views of the global. In times when the only contact between places came through diplomacy and trade, the first image that other countries had of the global, of foreign places – in every meaning of the word – were images borne by goods. Kristin Hoganson has argued that in the nineteenth century consumption created ‘imagined communities’ that transcended political boundaries. Frank Trentmann pushes the date of the first consumer society much further back. Several historians have argued that many of the earliest examples of transnationality come from trading networks. And more importantly, knowledge (both formal and informal) of foreign cultures and social mores frequently followed trade. It was the naturally transnational ties of trade...
that were interrupted by the rise of nationalism, which caused some countries to sever such ties for ideological reasons or to retreat into the trade networks of empire. The late twentieth century saw the reinstatement of these ties, however, with the subjugation of nationalism to economics and the victory of the ideology of free trade. Politics has always been able to shape consumption.

The idea of consumer activism – the achieving of social rather than political ends through consumption – is a recent (i.e. late twentieth-century) idea because it rests on an awareness of the global nature of supply chains and the power of consumers that only evolved recently. It is important to distinguish this from the notion of the consumer as a political actor, which has a longer history. Indeed, the importance of consumers as a political identity, the notion of the ‘consumer citizen’, has successfully been applied to the past. Yet the idea that ‘the most common way we participate in social activism is by buying something’ depends on a couple of mental changes that took time to come about. The most important is an awareness of the global interconnectedness of supply chains, which was gradually constructed in the second half of the twentieth century. This particular notion of the global is one in which individuals (can) take much more responsibility for what goes on in far-away places. So, as Roland Robertson has cautioned, we should not equate the global interconnectedness that has always been around with globalization as understood today, which brings with it a different consciousness of the relation between the local and the global.

It is saying nothing new to assert the importance of the local for consumption. Despite contributing to consumers’ understandings of the global, consumption is a fundamentally local activity. Ilja van Damme has argued that consumers in the early modern period in Antwerp relied mostly on trusted sellers; the seller, rather than any notion of early-modern branding, was relied on for information about different products. This mediation of the global by the local made it fairly irrelevant to consumers where a product came from. Trust was a matter between a salesman and his customer in a local transaction that took place in person.

In addition, there have been many studies of how local meanings were used to understand foreign objects, and of agendas that were transported via transnational links (though generally not of trade). An anthropological study of the airport in Bangkok, for example, has looked at how local meanings were overlain on an object that served an international elite. While the highly modern Suvarnabhumi Airport, which opened for international travel in 2006, connects Thailand to a global infrastructure of travel, like most airports it draws its workers from the
local population. These workers bring local lore to the airport. Because according to local lore the Suvarnabhumi Airport is haunted by bad spirits, sacrifices are made to the god responsible for safe travel, to ensure successful flights.¹⁴ For the travellers passing through the airport, however, the global-ness of international travel is interrupted by the airport’s attempt to use local uniqueness to combat international uniformity by calling on elements of local culture and folklore. For those travellers for whom Thailand is a waypoint, part of their image of the global will remain mediated by the creators of the airport. Similarly, farmers in French Sudan used imported French machines, not to produce an idea of the global, but to reinforce local systems of worth: farmers who could use French tractors were deemed more masculine than those who did not have them.¹⁵ In this way, foreign objects can be foils for the local as much as reflections of the global.

Yet the meanings or uses of specific objects are less important here than the empirical evidence of how multi-national companies, understood as mediators, used images of the global and the local to further their business interests. This study is interested in the shaping of images before consumption – i.e. images that influenced the act of acquisition, and whether or not they influenced the meaning of consumption itself. Multi-nationalists are heavily implicated as mediators responsible for constructing meanings of the global, because for locals they are often the primary representatives of it. Through their global reach, too, multi-nationalists allow local customs to influence the behaviour of people in other places, because multi-nationalists are holders and communicators of knowledge built up in many separate markets. The focus here will be less on the meanings attached to specific goods than on more general concepts and their use to reverse typical asymmetries.

Heineken and Unilever are two multi-nationalists based (at least partly) in the Netherlands. They represent ideal cases for the purpose of this study, because they demonstrate how multi-nationalists have worked against asymmetries in order to forward their business interests. Asymmetries, while imperative for historians to be aware of, need therefore to be treated with some caution. This chapter focuses on the contrast between the post-war advertising strategies chosen by Heineken and Unilever, and their significance for shaping meanings of the global. The two companies sell very different products, which was important for the two companies’ ultimate decision regarding the place of the global in their respective business strategies. Heineken ended up selling a global product using local images of the global, while Unilever used the local in order to render the global more familiar to its local customers.
Heineken

After the Second World War, Heineken, a brewer based in the Netherlands, set out to boost its fortunes by selling a single product to consumers around the world. In its appeal to the global, Heineken was not alone. Western-style barley beer was already popular around the world. Although there were other contenders as well, ‘across the colonized or post-colonial world beer came to be seen as the water of modernity’. This meant that foreign conquerors set up new factories to serve themselves. But their work also served to associate beer drinking with success and a sense of superiority. This was something that Heineken could take advantage of and reinforce after the war: the notion of a recipe for success was desirable. Part of the attraction of beer, which then was already a global product insofar as it was drunk around the world, was that consumers could show a sophisticated knowledge of foreign tastes through their consumption patterns. A national brand of beer became a symbol of and vehicle for nation-building. Heineken could take advantage of these associations: the taste for Western-style beer, the desire for success and cosmopolitanism, and local industrial frameworks established to make beer. In this way, Heineken used a beverage that had been an early winner of globalization to drive globalization forward.

Heineken’s advertising strategy was naturally focused on associations with its beer, and here the global was a key element. To be of use for Heineken, the global had to be desirable, and associated with success and modernity. Thus the notion of the global that was promoted by Heineken was a very particular one. Ironically, these messages stressed the beer’s global appeal, but at the same time they were tailored to local consumers and thus reflected local associations and tastes. Although Heineken’s strategy could be accused of promoting homogenization, in so far as its global product was everywhere the same, its success depended on a close understanding of the local. Thus the decision to appeal to global consumers meant that the company had to appeal to consumers on all parts of an asymmetrical spectrum at the same time.

The company’s earliest approach to internationalization was taken under the leadership of Alfred Henry ‘Freddy’ Heineken, the grandson of the founder of the Heineken brewery, who started working for the company in 1940. Freddy rebuilt the company into a global brand after the Second World War. As part of this strategy, he decided to focus on a single product. This decision reinforced the pre-existing global tropes that Heineken’s advertising strategy had previously exploited. (The only
exception was the United Kingdom, where at that time lager beer was not yet established.¹⁸ For some, the global was aspirational; for others it was familiar. The innovative concept behind Heineken’s advertising strategy was that it could address both groups. If Heineken was everywhere the same, it could be relied upon to give the taste of home for global travellers; ironically then, a global reach offered access to the familiarity of the local everywhere. For others, drinking Heineken meant joining a refined, global community.

Meanwhile, immediately after the war, Heineken was not yet a globally recognized brand. In 1953, the company commissioned seven international artists to create advertisements for the company to promote local consumption on a global scale.¹⁹ As part of this campaign it asked the Dutch public to pass a vote on the best images produced.²⁰ The example shows that for the Dutch market the company chose to emphasize the brand’s global appeal, which at this point was more an aspiration than a reality. Heineken constructed an image of global homogeneity – the (same) beer drunk around the world – based on a local peculiarity (that would be attractive to the Dutch market). Meanwhile, the campaign used readily recognizable icons of foreign cultures – global differences – in order to sell a single homogeneous product across the globe. The campaign underlined that the beer fit seamlessly into any lifestyle; and that the global was far from anodyne, easily fitting into any local setting.

If one examines illustrations from this campaign, it seems striking how relatively inaccurate some of the drawings were (the more foreign the culture, the less accurate, one might generalize). It is important that these were images drawn by foreign artists but judged by and sold to Dutch people: they are therefore original representations of what Dutch people in the 1950s thought of foreign countries. The inaccuracies of some of the images would have made little impact on a Dutch audience. For instance, in the Japanese example, the image has been reversed (probably for purely aesthetic reasons), rendering the Japanese type unreadable; and it includes geishas, who would not have consumed alcohol, were a readily recognized image of Japan.²¹

The fact that these images are a local vision of the global – Dutch advertisements aimed at Dutch consumers – demonstrates another layer of relating the global to the local. Is it possible to have a vision of the global that is not on some level connected to a location? Or does being a global citizen mean forming an image of ‘the global’ from multiple local images? At the same time as creating a global brand in the Netherlands, Heineken marketed its beer abroad as a particular item of Dutch culture.²² In Australia, for example, advertisements made clear that the beer was a
specifically ‘imported’ or foreign product. Whereas for Dutch consumers, the company chose to advertise the beer’s international credentials, for Australian consumers, it advertised its Dutch credentials. In both cases, however, the iconography used at the start of Heineken’s campaign relied on a vision of the global and its relationship to Dutch beer.

A newspaper advertisement prepared by Heineken for Dutch consumers in 1959, when the company was more established on a global scale, likewise serves to illustrate the firm’s strategy to appeal to global consumers. The text of the advertisement, published on 19 June 1959, reads: ‘Why do people drink Heineken’s beer? … Because Americans, Italians and Irish and Frenchmen and Liberians and Icelanders drink it? Not for that reason! … People drink Heineken’s beer because they know for sure that there’s no tastier beer in the world than that from Heineken! Heineken: the most tapped, anywhere!’ 23 The logo, ‘the most tapped, anywhere’, would stay with the company for at least two decades, based on the fact that advertising the beer’s global appeal was a successful approach to boost sales. Thus what was important was not Heineken’s view of the global, but that of Heineken’s consumers in local markets. The fact that Heineken’s beer was not associated with any specific group of consumers or nationality was crucial to the decision for global appeal. Exceptional references to the beer’s Dutch background only reflected the company’s origins and the nation’s trading history.

How the company chose to structure its global market – by continents, for example – reflects ideas of the global but also different landscapes of production. 24 It is important to remember that the company’s advertising, which invoked familiar stereotypes of foreign cultures, was largely divorced from its production supply chains, which continued to be local. At the same time, the company imbued its product with a global character of its own. In the 1950s, the company already owned breweries in other countries, producing the same Heineken products, to be sold locally under the multi-national’s name. 25 By means of a local infrastructure, a global product was made available to consumers in new places.

The global provision of its beer, made possible by the local infrastructure bought up and operated by a multi-national company, was separated from the cultural hybrid created by Heineken’s marketing department, which used cultural differences in order to argue that its global product could be amalgamated into any and every local culture. In the service of the global, the local was caricatured; and those caricatures were reinforced through further exposure and through association with a global product.
Unilever

Unilever adopted a different strategy, being a multi-national from the start, co-headquartered in the United Kingdom and the Netherlands. It was formed by the merger of a British and a Dutch company in 1929. Like Heineken’s, the firm’s marketing strategy was independent of its manufacturing, because Unilever had factories around the world. At first the company sold food, before branching into soaps and other cleaning products – all with an emphasis on use in the home.

Despite these different origins, Unilever’s strategy was similarly dependent on its global reach. The company’s role of mediating between producers (global) and consumers (local) forced it to come to grips with local peculiarities. Meanwhile, unlike Heineken, Unilever ended up establishing local branches that produced ‘different, nation-specific products’ and even products for smaller markets known as ‘segmented national markets’. Reasons for its different marketing strategy can be found in the fact that its products were best served by trust in the proximity of the home, rather than by images of power and success. The company learned to appreciate the specific characteristics of local markets after its original marketing strategy failed.

Following the Second World War, Western Europe represented for Unilever a land of opportunity, and at first the company approached it as a single market. To this end, in the 1960s, it established a single ‘European’ research and development lab. However, the new potato snacks produced by its research lab, despite great initial promise, were largely rejected by the Dutch market. This experience contrasted with the successful introduction by Calvé (a subsidiary of Unilever) of a new peanut snack, the borrelnoot, in the 1970s. The failure of Unilever’s potato snack, juxtaposed with Calvé’s success, convinced the company of the benefits of establishing nation-specific research facilities to respond to local culinary customs. Yet this local specialization relied on Unilever’s global outreach. In a kind of ‘reverse globalization’, the multi-national used its economic power to cater for specific national tastes and cultures, thereby shaping and reinforcing local distinctions with the help of its products. Despite its initial strategy of trying to impose products on local customers – which might have seemed more profitable for a multi-national business – Unilever ultimately settled on the strategy of catering to the local.

Unilever’s change of strategy meant that its global reach would empower consumers in very specific ways. The company’s global reach meant that lessons learned in one market, such as the importance of local
research facilities, could be transferred to other markets. In the context of this book’s debates, this strategy is of particular interest, because the company’s marketing strategy stands for a flow against the asymmetry of power: solutions initially developed for less powerful consumers came to influence patterns of consumption of the more powerful consumers. Multi-national companies, in providing a link between different national markets, make the local dependent on the global in yet another way.

Unilever’s approach to global expansion was also facilitated by the growing importance of consumer research in the mid-twentieth century. Management experts convinced companies of the benefits of understanding locally specific patterns of consumption; science and technology provided the means to do this. This field of marketing research has changed dramatically over the past fifty years, allowing corporations to study consumers in local markets and to transfer their insights globally.\(^3^0\) Research on consumption meant that multi-nationals were forced to take the local seriously in a way that they could not before. The capitalist desire of boosting sales thus reversed power asymmetries by forcing producers to cater to consumers in peripheral countries.

The local dimension of consumption, however, was and is particularly important to Unilever, for it was the local that created consumers’ trust. Unilever thus developed a global marketing strategy based on local trademarks that responded to local concerns. At the same time, Unilever was in a position to blend the local brands with the company’s global reach. A good example is Unilever’s ice cream strategy. The world’s largest producer of ice cream in the 2010s, the company created logos for its products that combined local names with a globally identifiable image. Each icon is instantly recognizable.\(^3^1\) Unilever seamlessly combined the trust and familiarity of a local brand with the trust derived from the quality standards of a multi-national.

**Conclusion**

In the mid-twentieth century, as targeted advertising became more ubiquitous, multi-national companies became crucial mediators between the global and the local as a strategy to increase their sales. Companies promoted local visions of the global, while also amalgamating the global to reflect insights from local markets. The two companies studied here, Heineken and Unilever, reached an impact beyond the size of their home countries by successfully creating a hybrid of global and local meanings that, backed by the authority of a powerful company, they spread to many
different countries. Their example shows how multi-national companies reversed asymmetries intrinsic in global markets, affecting in particular concepts of national power. In this case the Netherlands offers a particularly striking example of a ‘small’ country assuming global economic power. Both companies were compelled to look abroad to find larger markets than those accessible at home. They show how smaller nation states might take a greater interest in global markets, especially because their home markets are relatively small. This context answers the additional question why small countries might be over-represented in the field of multi-nationals. Their companies work hard to gain global influence; but their power can only be wielded as long as local consumers respond to it.

Moving to a more abstract level of debate, the case study shows that globalization can reverse spatial asymmetries. Asymmetries in one field may not correspond to asymmetries in another. Some agents gain from certain aspects of globalization, regardless of wider implications that might be judged negatively. Overall, this chapter shows how in the twentieth century consumers (rather than nation states) have been empowered by consumption. Their voice also left an impact on consumers in other places. Consumption in the mid-twentieth century gave the local the power to influence the global.

The effects of globalization on trade and consumption are not easily predictable and do not follow a single model. There are many different avenues where the local fuses with the global, offering ramifications for individual understandings of the global. Despite the local consumer’s impact on marketing strategies, exemplified in the two case studies, companies are not innocent bystanders in the creation of images of the global. They actively create meanings, shaping as much as following markets. The global, a contested rather than obvious category, is ultimately built on hybrids of local meanings and is itself a local concept.

Notes

27. de la Bruhezé, ‘Manufacturing’, 183.
29. de la Bruhezé, ‘Manufacturing’, 194.