

Chapter 5

Mexico: The Case for Brand Names

Jorge Hernandez is Director of Marketing for First Mexico Financial Company (FMF), which is in the banking industry in Mexico City. The company is conservative and traditional in its public image and business culture. Until recently FMF has largely ignored marketing, but now the company has begun to realize that many of its financial products are commodities that have to be sold to consumers in a highly competitive market. Therefore, the right brand name is critical.

FMF has just merged with a smaller financial institution, Banco Mexicano. Since FMF had never established itself as a strong brand name, Marcelo Rivera, Vice-President for Marketing, asked Jorge to come up with a new name for the merged organization. His boss told him the name must be distinctive, memorable, and relevant to the services of a bank. It should also be flexible in case the bank expands its services. Because of the sensitivity of the issue, Jorge was asked to keep this project confidential. But what he doesn't know is that Alejandra Santos, a new member of the marketing department from Banco Mexicano, has been given the same assignment and also told to keep her project strictly confidential.

Jorge is a young risk-taker who wants to get the company moving ahead in the 21st century business environment. Furthermore, he knows that financial branding is difficult to achieve. Consequently, he thinks that the brand name for the merged companies should be somewhat unusual and modern—a state-of-the-art name that is easy to pronounce.

Jorge's FMF colleagues take a more conservative approach to business in general and to branding in specific. They mostly disagree with Jorge's philosophy of aggressive marketing, and the interpersonal relations among the employees in the marketing division have been poor, if not actually hostile. However, upper management, and, most importantly, Jorge's boss, tend to see Jorge's ideas as clever and innovative.

After spending hours brainstorming and cutting a long list of potential names to a short list, Jorge has finally made a decision. His choice is *Mexicash*. He has arranged a meeting for tomorrow to discuss his proposal and to hear suggestions and feedback from the others in the marketing division, which includes employees of both Banco Mexicano and FMF. He intends to prepare a lengthy PowerPoint presentation to justify *Mexicash* as the new brand name. Almost all decisions in FMF are made by consensus, so he will have to convince the members of the marketing group that his proposal is sound. But Jorge thinks he has at least one ally in the group: Alejandra Santos. They hit it off right from the beginning, and her opinion should carry some weight with the other Banco Mexicano employees.

For that reason, Jorge wants to talk to Alejandra before the meeting to find out if he can count on her support for his brand name. Because she seems to take a creative approach

to assignments, he is all but certain that her reaction will be positive. Of course, he has no idea that Alejandra is also working on the brand name project.

As Jorge dialed Alejandra's number, he briefly considered whether he was being unwise, but he decided to go with his instincts, which were generally correct.

"Hi, Alejandra. Would you stop by my office for a few minutes? I need your reaction to something."

"I'll be right there."

When Alejandra entered his office, Jorge shut the door and came to the point immediately.

"Alejandra, I have an idea, and I'd appreciate your honest response—but this is confidential. Will you promise to forget what I'm about to tell you?" Jorge looked directly into Alejandra's sparkling eyes.

"You know I can keep a secret," answered Alejandra.

"Well, we need a new name for the company, so what do you think of *Mexicash*?" Jorge pronounced the word with emphasis on the last syllable and held up a paper with *Mexicash* written in large bold print.

Alejandra couldn't help smiling as she realized that Marcello Rivera had given them the same assignment. And she felt no qualms about getting the inside information on Jorge's name choice before the meeting. After all, the business world was a rough place, and this could be a win-win situation for Alejandra because she was sure she had found the perfect brand name: *Cashomex*. Now she would have plenty of time to think up solid arguments against *Mexicash*.

Alejandra began to laugh, at first just a little, but then harder and harder. "This is so funny," she said when she finally stopped laughing.

Jorge was not sure if she was laughing at him or the brand name or something else entirely. "What do you mean?" he asked.

Alejandra suddenly seemed nervous and turned to leave. "You'll see tomorrow," she replied, walking out the door.

"Well, that was a mistake," Jorge thought to himself. "I guess I can't always trust my instincts. I just hope she keeps her promise not to tell anyone."

Discussion

1. Why did Jorge Hernandez decide to tell Alejandra Santos his brand name choice before the meeting?
 2. Should Alejandra have told Jorge that she was working on the same assignment to find a new brand name?
 3. Why did Alejandra laugh so hard when Jorge said his brand name choice was *Mexicash*?
 4. What was Marcelo Rivera's strategy in secretly assigning two employees to the same task?
 5. Should Jorge meet with Marcelo before the meeting to tell him his suggestion?
 6. What is your reaction to the names *Mexicash* and *Cashomex*?
1. Identify the ethical issues in this case study.

Case Study Report

- I. Statement of the problem
 - A. Definition
 - B. Analysis
- II. Suggestions of possible solutions
 - A.
 - B.
 - C.
 - D.
- III. Evaluation of possible solutions
 - A.
 1. Advantages
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 1. Advantages
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 1. Advantages
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- IV. Selection of a solution
 - A. Choice
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