

---

# Convergence in Global Markets: The Great Standardization Versus Localization Debate Is (Finally) Put to Rest

# 7

Barbara Mueller and Charles R. Taylor

## Chapter Objectives

Upon completion of this chapter, the reader should

- Understand the trend toward convergence among consumer segments in the global marketplace
- Know the advantages associated with the standardization and adaptation of marketing programs
- Be familiar with key empirical studies that have shed light on the standardization debate
- Be able to outline the major theoretical frameworks for understanding global marketing strategy (Global Marketing Strategy Theory, Global Consumer Culture Theory, and Global Consumer Culture Positioning Theory)
- Understand several of the most useful cultural dimensions applicable to international advertising research (high versus low context, Hofstede's dimensions of culture, and the GLOBE dimensions of culture)
- Appreciate the implications of convergence for international marketing managers

---

## 7.1 Convergence in Global Markets

**Convergence** is a term that has been used extensively in virtually all the sciences over the past several years. The common denominator in the use of this concept is that it refers to the reduction of diversity within a given observable set or population

---

B. Mueller (✉)

San Diego State University, 5500 Campanile Dr, San Diego, CA 92182-4561, USA  
e-mail: [muelle1@mail.sdsu.edu](mailto:muelle1@mail.sdsu.edu)

C.R. Taylor

Villanova School of Business, 800 E. Lancaster Ave, Villanova, PA 19085-1678, USA  
e-mail: [raymond.taylor@villanova.edu](mailto:raymond.taylor@villanova.edu)

(Mitry and Smith 2009). With increasing globalization and cultural cross-fertilization, it is reasonable to believe that markets are converging in many ways on several different levels (Usunier 2000). For example, there is increasing evidence of economic integration among major world regions, such as the North American Free Trade Agreement (NAFTA), the Association of South–East Asian Nations (ASEAN), and perhaps most notably the European Union (EU). These agreements have resulted in the harmonization of laws, regulations, and business practices between markets (Okazaki et al. 2007).

We may also speak of convergence among consumer segments in the global marketplace. Such convergence is due to a multitude of factors, among them the growth of global media, widespread access to the Internet, increased consumer spending power, and international travel. Batra, Myers, and Aaker (1996, p. 7171) contend that “There are clearly cases where the same consumer segment exists in many countries across the world, though obviously to different degrees.” In the past, global or cross-border segments were commonly viewed as comprising affluent consumers (e.g., those targeted by Louis Vuitton, Rolex, or Mercedes Benz) or teenagers (with their similar tastes in music, entertainment, and fashions). Yet, increasingly, other segments are emerging, including environmentally and socially concerned consumers (targeted by companies such as Toms, The Body Shop, and Aveda), and young married couples (targeted by low-priced furniture retailers, such as Ikea and the like), (Douglas and Craig 2011). Court and Narasimhan (2010) suggest that the emerging middle class in a broad range of developing countries may present yet another cross-border segment.

In a recent study examining whether psychographic segments exist for consumers of fashion products across Europe, Korea, and the USA, Ko et al. (2007) found four segments that cut across cultures. These were “information seekers,” “sensation seekers,” “utilitarian consumers,” and “conspicuous consumers.” The authors concluded that it is viable and perhaps desirable for fashion marketers to target cross-national segments in these countries as opposed to engaging in individual segmentations.

*Cross-border segments* transcend national boundaries and share uniform characteristics (such as needs, preferences, lifestyles, tastes and habits). Increasing convergence among consumer segments has enabled firms to formulate *standardized marketing strategies* for their brands (Jain 1989; Samiee and Roth 1992). A common marketing strategy can involve standardized products, uniform packaging, identical brand names, synchronized product introductions, and identical advertising messages across markets in multiple countries. Some even argue that such standardized marketing strategies for global consumer products are *drivers* of cultural change. Mitry and Smith (2009) note “the observation that people everywhere are adopting the same products is not as important as the observation that marketing strategies influence cultural change. Therefore, the type of cultural convergence that we see is the direct result of the rapid growth of mass communications and the marketer’s use of the media to promote product identity with perceived desirability. Moreover, the result of this continuing marketing process is not only increasing awareness of products that would otherwise be unknown, but it is also the propeller for convergence of consumer

preferences across cultural boundaries. The process appears to actually create evolutionary changes in consumers' previous culturally anchored behavior and serves in the formation of global market convergence." In short, standardized marketing strategies affect consumer perceptions and ultimately alter consumer choices, and this interactive process produces an evolutionary development towards convergence across consumer markets.

---

## 7.2 The Standardization Versus Adaptation Debate

The issue of convergence in global markets is closely tied to the **standardization versus adaptation debate**. For over five decades, both academics and marketers have argued over the degree to which firms should globalize or customize their marketing programs across countries. Debates regarding the viability of standardized marketing surfaced as far back as the late 1960s (Buzzell 1968). However, the concept of standardization was popularized by Harvard marketing professor Theodore Levitt, who suggested that people everywhere want goods of the best quality and reliability at the lowest price; and that differences in cultural preferences, tastes, and standards are vestiges of the past, because the world is becoming increasingly homogenized (Levitt 1983, p. 92). A standardized approach to the marketing mix, and specifically the adoption of standardized advertising, offers marketers significant benefits.

An important advantage of standardized advertising relates to the need to develop and implement campaigns more efficiently. Clearly, for a company operating in dozens of countries, developing a completely unique advertising campaign for every single market would be difficult to coordinate. When a general strategy emanates from headquarters it is easier to implement a campaign, even if some aspects such as language and executions are modified. Thus, improved coordination and implementation has been cited as a first benefit of standardization (Czinkota and Ronkainen 2010).

It is also the case that operating numerous different campaigns across the world is inefficient and cost prohibitive. Developing a general strategy and perhaps even some tactical aspects of a global ad campaign centrally can lead to significant cost savings. Additionally, in at least some contexts, there may be cost savings associated with making media buys that cut across borders. Thus, cost savings brought about by standardization are a second key advantage of standardization of advertising (see, e.g., Levitt 1983 and Ford et al. 2011).

A third key advantage of standardized advertising is that it can be used to craft a uniform brand image around the globe (Czinkota and Ronkainen 2010). Consistent with Levitt's view that improvements in transportation and telecommunications, among other factors, have led to more similarities among consumers across markets, is the idea that many consumers will respond to a general positioning statement or advertising strategy. In this way, consumers recognize brands like Adidas, Nokia, and McDonald's regardless of where they are in the world. With increased evidence that it is possible to target cross-national market segments, it

becomes even more important to build a common image while building brand equity cross-nationally (Ko et al. 2007).

One final benefit of standardization is the ability to exploit creative ideas (Mueller 2011). Good creative is hard enough to come by, without having to reinvent the wheel for each country that an advertiser plans to enter. Standardization allows a single strong creative approach to be employed across markets.

In contrast, those committed to complete *adaptation or localization* argue that converging technology and disappearing income differences across countries will not lead to homogenization of consumer behavior. Instead they emphasize the divergence of markets, noting that consumer behavior will become more heterogeneous because of cultural differences (de Mooij and Hofstede 2002; de Mooij 2003). And given that consumers and marketing environments vary so greatly from one country to the next, they contend it is necessary to adapt the marketing mix elements. Adherents of this approach point to a multitude of marketing blunders that have resulted from not paying sufficient attention to the role of culture (see Ricks et al. 1974 for a seminal article which ties most pitfalls in global marketing back to a lack of cultural awareness). Although such a customized approach typically results in higher costs, marketers hope that these costs will be offset by a number of advantages.

The ability to adjust to specific cultural preferences is an important benefit of the adaptation strategy. In an advertising context, this may involve a need to adapt the tone, format, length, or appeal type used in an ad. While it is often possible to retain a single positioning statement to build the brand or general strategic elements of the message (e.g., which feature is being emphasized), there are frequently elements of the execution that must be altered. A related advantage of adaptation is the ability to be understood in a local cultural context. This means both communicating in the appropriate language and also in terms understood by citizens of a country or region. Clearly, stubbornly running foreign language ads will simply result in failure in many advertising contexts. According to a study from RSM Erasmus University in Rotterdam, even people who speak more than one language respond more acutely to marketing messages delivered in their mother tongue (Ford 2008). A third important advantage of localization is that it is sometimes necessary to comply with legal restrictions or self-regulatory guidelines in a country. For example, Taylor and Raymond (2000) found that even among countries in the same region (East Asia), regulatory guidelines can vary a great deal, especially for certain types of products. When regulations vary across countries, advertisers may be obliged to adapt their strategy.

---

### 7.3 Empirical Studies Shed Light on the Standardization Debate

Duncan and Ramaprasad (1995) note that the crux of the standardization debate used to be: “Should multinational advertising be standardized or localized?” By the mid-1990s, the question became “In what situations and to what extent should

multinational advertising be standardized?" Today, Taylor (2005) notes that the debate is all but dead. The weight of the research evidence suggests that, at least for large multinational firms, the use of a globalized marketing strategy, including the creation of a global brand image, has major advantages and can lead to improved performance (Zou and Cavusgil 2002). Indeed, Okazaki et al. (2006) found that Japanese and US subsidiaries operating in the EU who standardized their advertising across the EU markets they sold their products in reported higher levels of financial performance (including return on investment from advertising) than those who adapted.

One need only to look briefly at the list of the world's best global brands and their value to realize the dramatic advantage a global brand can provide. Interbrand, the leading brand consultancy, produces its Best Global Brands report based on a unique methodology. It analyzes three key aspects that contribute to a brand's value: (1) the financial performance of the branded products or services; (2) the role of brand in the purchase decision process; and (3) the strength of the brand to continue to secure earnings for a company. For example, in 2011, the top five brands were Coca Cola (for the twelfth consecutive year), IBM, Microsoft, Google, and General Electric. The top four of these brands were all valued at over \$50 billion (Interbrand 2011).

A large number of investigations of standardization and related issues have been conducted over the years that have shed light on the debate. In a comprehensive review of the literature, Taylor and Johnson (2002) conclude that many companies have adopted an approach where broad strategies are standardized, but advertising executions are localized as needed. In a key study using survey methodology, Harris (1994) found that most multinational companies use standardized advertising, but the extent to which they use it varies. He emphasizes that practitioners should focus more on "how" to standardize as opposed to "whether" to standardize.

Subsequent studies appear to validate Harris' findings. In a major survey of multinational advertisers, Duncan and Ramaprasad (1995) found that 68 % of the multinationally advertised brands used a standardized strategy in all the countries in which their advertising ran, 24 % in some of the countries, and only 7 % in none at all. Standardization of execution was surprisingly similar with 54 % of the multinational brands using it in all countries, 36 % in some countries and 8 % in none at all. They found, however, the use of standardized language to be uncommon in all countries. Notably, the authors found that the desire to achieve a uniform brand image was the number one motivator for standardization—higher even than the motivation provided by potential cost savings.

Leefflang and van Raaij (1995) note that there is evidence of the existence of a single European market as the result of the unification process. While there are certainly recognizable differences between European countries, there are also significant similarities between them. Together these similarities serve to distinguish European consumers from those in other areas. Mitry and Smith (2009) note that, "strictly speaking, one cannot identify a singularity in European culture, but European consumers have shared close proximity and similarities in consumer

values and behaviors.” And a uniform marketing strategy across the continent has long been advocated by both the business and academic worlds (Dibb et al. 1997; Whitelock et al. 1995). Okazaki et al. (2007) explore the relationship between market convergence and standardization of advertising campaigns by examining US and Japanese subsidiaries advertising practices in the Common Market. The authors proposed that the convergence associated with European Market integration has lead firms to emphasize two advertising strategies: creating a uniform brand image and appealing to cross-market segments. Results of the survey of managers of subsidiaries of Japanese and US firms suggest that firms that believe the EU is converging are more likely to engage in these standardized advertising strategies. Additionally, they found that firms that seek to create a uniform brand image and appeal to cross-market segments are indeed more likely to standardize their overall advertising programs.

A number of investigations are suggesting that convergence is even creating opportunities for standardizing executional aspects of ads. Schwaiger et al. (2007) found evidence that some types of comparative appeals are successfully employed in Germany, a market where comparative approaches were not legal until rather recently and believed to be questionable in terms of effectiveness. Stepping outside the EU, Kalliny et al. (2008) examined advertising executions across the Arab world and found that while some significant differences were still present between the USA and Arab markets, there were more similarities than one might have anticipated. In an analysis of appeal types used in Japanese and American advertising, Okazaki and Mueller (2008) found an apparent trend toward convergence and concluded that Japanese advertising may have become more “American” and US advertising may have become more “Japanese.” Okazaki et al. (2010) conducted an experimental investigation that suggests that certain types of soft-sell appeals and hard-sell appeals may have the potential to be standardized across the USA and Japan in a way that likely would not have been possible a decade or more previously.

There appears to be ample evidence that standardized advertising strategy is more feasible than in the past, and that the benefits to marketers who employ this approach are considerable. However, the question regarding the degree to which standardized executions can be employed, and under what circumstances, has not been definitively answered. Multinational marketers must clearly still take cultural factors into account. Collectively, the findings of the investigations noted above suggest that both theories pertaining to global marketing as well as conceptual frameworks to help understand and measure culture are essential. If standardization is as important at a strategic level, it is critical to apply theoretical or conceptual perspectives that allow us to better comprehend how and why standardization strategies work. Fortunately, some recent advances in theoretical perspectives have allowed for better application to the issue of degree and effectiveness of standardized advertising. The remainder of this chapter will be divided into the following two sections: (1) frameworks for understanding international advertising strategy and (2) the application of cultural dimensions to international advertising research. In the first section, the following theories will be addressed: Global

Marketing Strategy theory, Consumer Culture Theory, and Global Consumer Culture Positioning. In the second section, Hall's concept of High versus Low Context and Hofstede's cultural dimensions are reviewed, while the new GLOBE framework is addressed in detail.

---

## 7.4 Theoretical Perspectives for Understanding Global Marketing Strategy

Several theoretical perspectives have been developed that provide a better understanding of the global marketplace and how global marketing strategy works. The first is *Global Marketing Strategy Theory* (see Zou and Volz 2010). In the original conceptualization of the theory, Zou and Cavusgil (2002) outline eight dimensions of global marketing strategy (GMS): product standardization, promotion standardization, distribution standardization, pricing standardization, coordination of value-adding activities, integration of competitive moves, global market participation, coordination of marketing activities, and concentration of marketing activities. Global Marketing Strategy theory argues that when fit (the degree to which a company's global marketing strategy matches the external environment and the firm's own organizational resources) is high, both financial and strategic performance are strong. In the context of promotion, this finding is suggestive of global advertising strategies being advisable when the external environment is conducive to it and the firm has strong organizational capabilities in this regard.

Of particular interest to advertising scholars is the degree to which using a global advertising approach effectively enhances company reputation and profitability. Conducting promotional programs across markets generally involves two additional GMS dimensions beyond promotion standardization: global market participation and coordination of marketing ideas. GMS theory defines coordination of marketing activities as the degree to which a firm's marketing practices across countries and cultures are independent. The theory posits that those firms with coordinated activities will achieve better outcomes. Further, those who engage in global market participation are predicted to have a higher potential for success.

Okazaki et al. (2006) applied GMS theory in their examination of US and Japanese subsidiaries operating in the EU. Consistent with GMS theory, the study found advantages associated with global advertising strategy. GMS also holds promise for better understanding of cross-market segmentation and associated targeting strategy (Ko et al. 2007).

A second influential theoretical perspective in the global marketing realm is *Global Consumer Culture Theory* (GCCT). Arnould and Thompson (2005) introduced the term "consumer culture theory" (CCT) to refer to a "family of theoretical perspectives that address the dynamic relationships between consumer actions, the marketplace, and cultural meanings" (p. 868). CCT views consumption as continually shaped by ongoing interactions within a dynamic sociocultural context and is fundamentally concerned with factors that shape consumer experiences and identities. Applications of consumer culture theory to a global



context have arisen from the view that cultural globalization is occurring. GCCT holds that a trend toward a global consumer culture has indeed taken place and that market segments that cut across national boundaries can often be identified, making it more possible than in the past to target global market segments. Consumer culture functions globally because it has become a key source of consumer identity and self-expression around the world. It is not just a matter of consumers consuming the same products, but rather the motives for consuming the same products (Waters 1995; Nijman 1999). According to GCCT, the global marketplace facilitates consumption and serves as a symbolic mediation, capable of providing the foundation for meaning, self-images, self-identities and values (Baudrillard 1998; Holt 2002). However, it is also notable that the GCCT avoids simply positing that consumers behave similarly around the world. To the contrary, the theory argues that similarities and differences can exist both within a culture and across cultures. This theory has also been applied to international advertising and can be used to help explain some of the nuances associated with designing effective international advertising.

Taylor (2010) notes that in recent years, global consumer culture theory (GCCT) has become a highly influential theory in the area of cross-cultural marketing. Indeed, GCCT has even redefined what constitutes a global brand for some scholars. Ozsomer and Altaras (2008) argue that in contrast to the traditional view of a global brand (largely based on the marketing standardization literature), in the GCCT definition of a global brand, the consumer's perception of brand "globalness" is paramount.

A third relevant perspective is an outgrowth of global consumer culture theory and can be referred to as a global brand positioning theory. Alden et al. (1999) examined the emergence of brand positioning strategies in advertising that parallel the growth of the global marketplace. They proposed a new construct—*Global Consumer Culture Positioning* (GCCP)—that associates the brand with a widely recognized and commonly interpreted set of symbols that are viewed similarly by consumers around the world, thereby enhancing the brand's equity. An excellent example of this approach is Coca Cola's launch of their global integrated marketing campaign in 2009. The campaign, which employed the "Coke Side of Life" theme invited the audience to rediscover the simple joys of life—a message Coca Cola hoped would resonate globally. Alden et al. (1999) contrast GCCP with two other types of consumer culture positioning: local consumer culture positioning (LCCP) and foreign consumer culture positioning (FCCP). LCCP is defined as a strategy that associated the brand with local cultural meanings, reflects the local cultural norms and is portrayed as consumed by local people in the national culture, and/or is depicted as locally produced for local people (for example, soy flavored Kit Kat chocolate bars available only in the Japanese marketplace). In contrast, FCCP positions the brand as a symbol of a specific foreign culture (for example, Ricola cough drops association with the Swiss Alps in its global media advertising).

Study results suggest that though global consumer culture is still in its infancy, meaningful percentages of advertising in seven countries, representing both developed and developing economies, employ GCCP (Alden et al. 1999).



Advertisements reflecting GCCP may employ a globally common language (English), global aesthetic style (for example, a globally recognized spokesperson—such as George Clooney for Nespresso) and story themes (for example, membership in the global culture via use of the latest technology—such as the Apple I-Pad). The increased prevalence of GCCP strategies being used is consistent with the notion that cultural convergence has had a profound impact on advertising.

An additional key finding from this line of research is that perceived brand globalness is positively related to consumers' perceptions of the quality and prestige of the brand. In essence this finding suggests that many, and perhaps most, consumers, have a more positive overall impression of global brands. Moreover, firms operating successfully in more regions benefit from higher global reach, which further contributes to a competitive advantage. In sum, this theory suggests that companies can achieve success by developing uniform positioning across markets and by achieving synergy as a result of operating across multiple markets.

Akaka and Alden (2010) note that since its initial development, there is growing evidence of GCCP's usefulness in advertising research regarding global strategies. For example, Nelson and Paek (2007) draw on GCCP in their content analysis of global advertising strategies and tactics across seven countries. Examining ads in local editions of *Cosmopolitan* magazine in Brazil, China, France, India, South Korea, Thailand, and the USA, the authors found that multinational ads were more likely to employ standardized elements (such as ad copy and models) than domestic ads. This is consistent with the idea that GCC features common symbols across cultures and that marketer communicate these commonalities through commercial messages.

---

## 7.5 Applying Cultural Dimensions to International Advertising Research

The above theories have contributed to our understanding of how global strategies can be used successfully in advertising. Yet, as noted previously, there is a clear need to take cultural and country specific measures into account in planning advertising executions. At least three major perspectives have had influence in the academic literature and also have practical applicability.

The first perspective is that of the anthropologist Edward T. Hall (1976), who contributed the idea of *high context* versus *low context* cultures to the literature. As defined by Hall, *low-context* cultures place high value on words, and communicators are encouraged to be direct, exact, and unambiguous. What is important is what is said, not how it is said or the environment in which it is said. In contrast, *high-context* cultures consider verbal communications to be only a part of the overall message, and communicators relay much more heavily on contextual cues. Differences between these two communication styles have been found to have direct implications for international advertisers. For example, American consumers are known for their interest in product information and precise details (Biswas et al.

1992). Thus, commercial messages in the USA tend to emphasize the merits of the product clearly, logically, and reasonably by directly presenting information, facts, and evidence related to the product (Hong et al. 1987). A number of studies have documented that Japanese ads, both broadcast and print, contain fewer information cues than ads appearing in the USA and many other countries (Lin 1992; Ramaprasad and Hasegawa 1990). Japanese advertising is less likely to focus on the product merits; the direct or hard-sell approach so common in American advertising has traditionally left Japanese consumers cold (Mueller 1992).

A second and highly influential perspective on culture that has been widely applied to advertising research is Geert *Hofstede's Dimensions of Culture* (Hofstede 1980). Indeed, Hofstede's original four dimensions of culture: individualism/collectivism, uncertainty avoidance, power distance, and masculinity/femininity have been widely studied in terms of their influence on differences in advertising. While some general criticisms of the Hofstede dimensions and the method by which they were derived have been made, there is no question that this perspective has contributed some insight into subtle differences in advertising in different countries. Several studies have shown that there are differences in the types of advertising appeals that work in individualistic versus collectivistic cultures. For instance, Frith and Sengupta (1991) demonstrated that ads containing only a single person are quite common in countries that rank high on the individualism index, whereas portrayals of a person alone in an ad are infrequent in countries scoring low on individualism. Power distance has been used to examine the depiction of rank and formality in advertising in various cultures. Zandpour and Campos (1994) found that testimonials by a celebrity, a credible source, or a user of the product were a distinct feature of ads in cultures with high power distance. Studies have also applied uncertainty avoidance in terms of attitudes toward advertising of certain types of products such as pharmaceuticals and OTC drugs (Diehl et al. 2007) and ad appeals. While masculinity/femininity has been applied less frequently, it has been included as dimension in several content analysis studies. For example, Milner and Collins (2000) found that ads produced for consumers in countries at the feminine end of the continuum feature a greater proportion of characters in relationships than those at the masculine end. Hofstede's long term/short term dimension, which was added later, has also been tested in some studies.

More recently, Robert House and his colleagues (2004) have developed a competing set of cultural dimensions which has begun to be applied to advertising research. Based on a large scale study of 62 countries, House identified nine cultural dimensions: uncertainty avoidance (the extent to which members of a society strive to avoid uncertainty by relying on established social norms and practices); power distance (the degree to which members of a society expect and accept that power is distributed unequally); institutional collectivism (the degree to which societal institutional practices encourage and reward collective distribution of resources and collective action, as opposed to individual distribution and individual action); in-group collectivism (the extent to which members of a society express pride, loyalty, and cohesiveness in their groups, organizations, or families); gender

egalitarianism (the degree to which a society minimizes gender role differences); assertiveness (the degree to which individuals in societies are assertive, confrontational, aggressive, and straightforward); future orientation (the degree to which members of a society engage in future-oriented behaviors such as planning, investing, and delaying gratification); performance orientation (the degree to which a society encourages and rewards group members for performance improvement and excellence); and humane orientation (the extent to which a society encourages and rewards its members for being fair, altruistic, friendly, caring, and kind to others). Known as the *GLOBE (Global Leadership and Organizational Behavior Effectiveness Research Program) dimensions*, several sound quite similar to those of Hofstede. Indeed, GLOBE scales measuring uncertainty avoidance, power distance, and collectivism were designed to reflect Hofstede's dimensions of uncertainty avoidance, power distance, and individualism. However, analyses conducted by GLOBE researchers revealed that the dimension of collectivism should be divided into two subdimensions: institutional- and in-group collectivism. The GLOBE researchers also found weaknesses with Hofstede's masculinity dimension and introduced two new cultural dimensions: gender egalitarianism and assertiveness. Future orientation is based on the work of Kluckhohn and Strodtbeck (1961) while performance orientation is associated with the construct of need for achievement (McClelland 1985). Prior to the GLOBE study, there were no frameworks that focused specifically on assertiveness as a cultural dimension. While this scheme and its methodology are also not without detractors, it is also beginning to be applied to advertising studies. In particular, assertiveness and performance orientation dimensions have been of particular interest to researchers (Terlutter et al. 2010; Diehl et al. 2008). It appears that the future will see more applications of this framework.

The three perspectives listed above are by no means the only cultural frameworks that have been applied to advertising. Several others, notably Harry Triandis (1994) and Trompenaars and Hampden-Turner (1997) have contributed important perspectives that advertising researchers have picked up on. As culture is a highly complex construct, it seems likely that work in studying and better understanding cultural dimensions and their impact on advertising will continue for many years. There have been numerous calls for a more general theory of culture as it applies to advertising, but to date this has been quite elusive, perhaps relating to just how complex culture really is.

### 7.5.1 Implications for Managers

While Levitt's (1983) conceptualization of the "global village" was likely overstated, more than six decades of research appears to have borne out Levitt's fundamental premise, which was that a trend toward cultural convergence was leading to the need for greater standardization of marketing practices than had previously been the case. In today's environment, it has become apparent that companies who standardize strategy across markets (at least those that have

sufficient similarity) realize an advantage based on economies of scale and, perhaps most importantly, the ability to achieve a global brand image. Clearly, brands such as Mercedes-Benz, Apple, Chanel, Nestle, Coca-Cola, and McDonalds have an image that transcends culture and national borders.

The extant literature is supportive of the idea that today's large companies are well advised to establish and reinforce a single brand image and positioning statement in advertising across the major markets it does business in. However, it is also clear that in many instances, executions must be adapted. A good example is Apple's "Mac versus PC" advertising campaign which emphasized the Macintosh computer's unique and innovative features (along with nimbleness and lack of virus issues). In the USA, this was accomplished by running a series of ads in which a youthful, hip character represented "Mac" while a somewhat overweight, "geeky" character portrayed the PC (see Fowler, et al. 2007). In the ads, the "Mac" character poked fun at the PC character in ways that pointed out some key advantages of the Mac linked to innovativeness and nimbleness. While this was a successful approach in the USA, Apple quickly found out that the campaign had to be modified in the UK and Japan. In the UK, the Mac character was viewed as "smug" and condescending in an unpleasant way. Meanwhile, in Japan, the "geek" image associated with the PC character did not make sense as there was not a negative connotation associated with it. Moreover, the "casual Friday" attire worn by the Mac character was unknown to the Japanese. To Apple's credit, the ads were modified to be more subtle. In the UK, the Mac character was shown to be more polite, poking fun at PC in a more pleasant manner, while in Japan, the Mac character was even shown "helping" the PC character.

The Mac versus PC example is indicative of the need for cultural dimensions such as context and individualism/collectivism being considered by advertisers. In this case, subtle changes to the execution were made and a successful global campaign was the result. The primary aspects of Mac's positioning and unique selling proposition were standardized, but the executions were adapted to match local preferences.

Recent research (reviewed above) gives credence to the idea that some key cultural dimensions, particularly context and individualism/collectivism, need to be given consideration when planning the executions of global campaigns. There is also sufficient evidence that Hofstede's dimensions of uncertainty avoidance and power distance take on considerable importance in many instances. While the research is less clear on masculinity/femininity and long-term/short-term orientation, advertisers are well advised to think about these dimensions.

The GLOBE study has provided additional insight for managers in terms of considering cultural dimensions in advertising executions, including taking a multidimensional view of the construct of individualism/collectivism focused on institutional- and in-group collectivism. Moreover, there is compelling evidence that the dimensions of assertiveness and performance orientation need to be considered (see, e.g., Terlutter et al. 2010).

It is somewhat paradoxical that at a time of unprecedented opportunity for standardized advertising, advertisers must consider cultural aspects in effectively adapting ads to get the same message across. However, this is today's reality for manager.

---

**Summary and Conclusion**

While it is no longer warranted to categorize standardization versus local adaptation as a debate, there is some merit in both perspectives. Research has demonstrated that global strategies do offer advantages and in most instances, marketers and advertisers are well advised to pursue global branding strategies reinforced by global advertising. At the same time, as one moves from strategy to execution, cultural differences and other country-specific issues do indeed matter, so localization issues must be considered. Thus, managers must strive to develop ad campaigns that get across a standard positioning statement and selling proposition, but simultaneously adapted execution to local markets as necessary. The weight of the evidence argues for considering global strategies first, with the realization that executional modifications will often need to be made.

Future research will contribute greater theoretical insight into global advertising. It is likely that this will occur both at a strategic level, with a focus on global strategies, and on a more tactical level with a focus on cultural differences. Increasingly, national boundaries are becoming blurred, cultures are converging, and consumer preferences appear to be driven less by long standing local and regional traditions, and more by perceived desirability of global products and brand identities (Erdem et al. 2006)

---

**Exercises**

1. Read the article “Who Standardizes Advertising More Frequently, and Why Do they Do So? A Comparison of US and Japanese Subsidiaries’ Advertising Practices in the European Union,” by Charles R. Taylor and Shintaro Okazaki in the “Journal of International Marketing,” 14(1), p. 98–120, 2006. The authors raise the question “who standardizes advertising more frequently for the EU and why do they do so?” The two researchers compare US and Japanese subsidiaries’ advertising practices in the “Common market,” as it is frequently called. Their first research question explores Japanese and US managers’ perceptions of EU markets. They examine the similarity of consumers and market conditions across Europe and consider the level at which the EU market as a whole is sought after by competitors. Their second research question pertains to the degree which Japanese and US subsidiaries standardize their advertising in terms of both strategy and execution in the EU. Finally, their third research question examines whether Japanese and US firms believe that standardization is associated with specific benefits. They explore the extent to which the ability to create a global brand image, the achievement of cost savings, the ability to appeal to cross-national market segments and improved coordination between headquarters and subsidiaries are perceived as benefits by the US and Japanese firms. Please summarize their findings and consider the implications for standardized advertising in the European Union or your home market.

2. Read the article “Our Ads R Us: An Exploratory Content Analysis of American Advertisements” by Charles Okigbo, Drew Martin and Osabuohien Amienyi in *Qualitative Market Research*, 8(3), 2005, p. 312–326. The authors find evidence that US cultural values are embedded in popular American magazines. These include individualism, an emphasis on equality, a future orientation, a desire for action and achievement, and a tendency toward directness and assertiveness. Select a magazine from your home country. Examine the ads closely—what are the dominant cultural values reflected in the commercial messages? Compare and contrast these values with those reflected in the advertisements from other countries.
3. Please read “The Hofstede Model: Applications to Global Branding and Advertising Strategy and Research,” by Marieke de Mooij and Geert Hofstede, in “*International Journal of Advertising*,” 29(1), p. 85–110, 2010. Go online to [www.geert.hofstede.com](http://www.geert.hofstede.com). The site provides scores for a multitude of countries—from the Arab world to West Africa. Find the Hofstede dimension rankings for your home country. Using the magazine selected for the exercise above, examine the ads again. Do the ads in your country reflect masculinity or femininity? Individualism or collectivism? High or low uncertainty avoidance? High or low power distance? A long-term or short-term orientation?
4. Utilizing the magazine employed for the last two exercises above, analyze the advertisements for the types of strategies employed. Do advertisers tend to employ global consumer culture positioning, local consumer culture positioning, or foreign consumer culture positioning strategies? Examine whether there are differences in the ads for international brands versus domestic brands. In looking at the ads, distinguish between verbal versus visual communication. Has the copy been translated into the domestic language? Are foreign words employed? What about the images? Do they reflect the international, foreign, or local marketplace?

---

## Reflexive Questions

1. Are we indeed converging toward a more homogeneous world in terms of consumption levels? If so, what is the speed of such convergence?
2. How is convergence affecting advertisers? What is the effect at a strategic level and what is the effect at the executional level?
3. Is there evidence that global advertising campaigns tend to be more effective for large multinational advertisers in comparison to localized campaigns.
4. Are there systematic differences in such convergence trends within high income versus low income countries?
5. Are consumption levels in certain product categories converging at a faster rate?
6. What are the underlying factors driving the convergence in consumption levels?

## References

- Akaka, M., & Alden, D. (2010). Global brand positioning and perceptions. *International Journal of Advertising*, 29(1), 37–56.
- Alden, D. L., Steenkamp, J.-B. E. M., & Batra, R. (1999). Brand positioning through advertising in Asia, North America, and Europe: The role of global consumer culture. *Journal of Marketing*, 63(1), 75–87.
- Arnould, E. J., & Thompson, C. J. (2005). Consumer culture theory (CCT): Twenty years of research. *Journal of Consumer Research*, 31(4), 868–892.
- Batra, R., Myers, J. G., & Aaker, D. A. (1996). *Advertising management* (5th ed.). Upper Saddle River, NJ: Prentice Hall.
- Baudrillard, J. (1998). *The consumer society: Myths and structures*. Newbury Park, CA: Sage.
- Biswas, A., Olsen, J., & Carlet, V. (1992). A comparison of print advertisements from the United States and France. *Journal of Advertising*, 21(4), 73–81.
- Buzzell, R. (1968). Can you standardize multinational marketing? *Harvard Business Review*, 55, 102–113.
- Court, D., & Narasimhan, L. (2010, July). Capturing the World's emerging middle class. *McKinsey Quarterly*. Retrieved November 18, 2010, from [http://www.mckinseyquarterly.com/Capturing\\_the\\_worlds\\_emerging\\_middle\\_class\\_2639](http://www.mckinseyquarterly.com/Capturing_the_worlds_emerging_middle_class_2639)
- Czinkota, M. R., & Ronkainen, I. A. (2010). *International marketing* (9th ed.). Mason, Ohio: Cengage.
- De Mooij, M. (2003). Convergence and divergence in consumer behavior: Implications for global advertising. *International Journal of Advertising*, 22, 183–202.
- De Mooij, M., & Hofstede, G. (2002). Convergence and divergence in consumer behavior: Implications for international retailing. *Journal of Retailing*, 78, 61–69.
- Dibb, S., Russel, Y., & Simkin, L. (1997). The EU marketing environment: Pharmaceuticals and Japanese strategy. *European Management Journal*, 15(2), 195–205.
- Diehl, S., Mueller, B., & Terlutter, R. (2008). The influence of culture on responses to the globe dimension of performance orientation in advertising messages—results from the U.S., Germany, France, Spain and Thailand. *Advances in Consumer Research*, 35, 269–275.
- Diehl, S., Terlutter, R., & Mueller, B. (2007). Skepticism toward pharmaceutical advertising in the U.S. and Germany. In C. R. Taylor, & D. Lee (Eds.), *Advances in international marketing: Cross-Cultural Buyer Behavior* (Vol. 18, pp. 31–60). UK.: Elsevier.
- Douglas, S. P., & Craig, S. (2011). Convergence and divergence: Developing a semi-global marketing strategy. *Journal of International Marketing*, 19(1), 82–101.
- Duncan, T., & Ramaprasad, J. (1995). Standardized multinational advertising: The influencing factors. *Journal of Advertising*, 24(3), 55–68.
- Erdem, T., Swait, J., & Valenzuela, A. (2006). Brands as signals: A cross country validation study. *Journal of Marketing*, 70, 34–49.
- Ford, E. (2008, December 29). First in line foreign language advertising. *The Times*, p. 43.
- Ford, J. B., Mueller, B., & Taylor, C. R. (2011). The tension between strategy and execution: Challenges for international advertising research. *Journal of Advertising Research*, 51(1), 27–41.
- Fowler, G. A., Steinberg, B., & Patrick, A. O. (2007). Mac versus PC an overseas adventure. *The Wall Street Journal*. Retrieved March 1, 2007, from <http://online.wsj.com/article/SB117271641509622894.html>
- Frith, K. T., & Sengupta, S. (1991). Individualism and advertising: A cross-cultural comparison. *Asian Mass Communication Research and Information*, 18(4), 191–197.
- Hall, E. T. (1976). *Beyond culture*. Garden City, NY: Anchor Press/Doubleday.
- Harris, G. (1994). International advertising standardization: What Do the multinationals actually standardize? *Journal of International Marketing*, 2(4), 13–30.
- Hofstede, G. (1980). *Culture's consequences: International differences in work related values*. Beverly Hills, CA: Sage.



- Holt, D. (2002). Why do brands cause trouble? A dialectical theory of consumer culture and branding. *Journal of Consumer Research*, 29(2), 77–90.
- Hong, J. W., Muderrisoglu, A., & Zinkhan, G. (1987). Cultural differences and advertising expression: A comparative content analysis of Japanese and U.S. magazine advertising. *Journal of Advertising*, 16(1), 55–68.
- House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (2004). *Culture, leadership and organizations: The globe study of 62 societies*. Beverly Hills, California: Sage.
- Interbrand. (2011). *Best global brands: 2011 rankings*. Retrieved March 28, 2012, from [http://www.interbrand.com/best\\_global\\_brands.aspx](http://www.interbrand.com/best_global_brands.aspx)
- Jain, S. (1989). Standardization of international marketing strategy: Some research hypotheses. *Journal of Marketing*, 53, 70–79.
- Kalliny, M., Dagher, G., Minor, M., & de los Santos, G. (2008). Television advertising in the Arab world: A status report. *Journal of Advertising Research*, 48(2), 215–221.
- Kluckhohn, F. R., & Strodtbeck, F. L. (1961). *Variations in value orientations*. New York: HarperCollins.
- Ko, E. J., Kim, E., Taylor, C. R., Kim, K. H., & Kang, I. J. (2007). Cross-national market segmentation in the fashion industry: A study of European, Korean, and US consumers. *International Marketing Review*, 24(5), 629–651.
- Leeflang, P. S. H., & van Raaij, W. F. (1995). The changing consumer in the European Union: A meta-analysis. *International Journal of Research in Marketing*, 12(5), 373–387.
- Levitt, T. (1983). The globalization of markets. *Harvard Business Review*, 61(3), 92–102.
- Lin, C. (1992). *Cultural differences in message strategies: A comparison between American and Japanese television commercials*. Paper presented at the AEJMC annual conference, April 8–11, Montreal.
- McClelland, D. C. (1985). *Human motivation*. Glenview, IL: Scott, Foresman.
- Milner, L., & Collins, J. (2000). Sex-role portrayals and the gender of nations. *Journal of Advertising*, 29(1), 67–79.
- Mitry, D., & Smith, D. (2009). Convergence in global markets and consumer behavior. *International Journal of Consumer Studies*, 33, 316–321.
- Mueller, B. (1992). Standardization vs. specialization: An examination of Westernization in Japanese advertising. *Journal of Advertising Research*, 32(1), 15–24.
- Mueller, B. (2011). *Dynamics of international advertising. Theoretical and practical perspectives* (2nd ed.). New York: Peter Lang.
- Nelson, M., & Paek, H. (2007). A content analysis of advertising in a global magazine across seven countries: Implications for global advertising strategies. *International Marketing Review*, 24(1), 64.
- Nijman, J. (1999). Cultural globalization and the identity of place: The reconstruction of Amsterdam. *Ecumene*, 6(2), 146–164.
- Okazaki, S., & Mueller, B. (2008). Evolution in the usage of localized appeals in Japanese and American print advertising. *International Journal of Advertising*, 27(5), 771–798.
- Okazaki, S., Mueller, B., & Taylor, C. R. (2010). Measuring soft-sell versus hard-sell advertising appeals. *Journal of Advertising*, 39(2), 5–20.
- Okazaki, S., Taylor, C. R., & Doh, J. (2007). Market convergence and advertising standardization in the European Union. *Journal of World Business*, 42, 384–400.
- Okazaki, S., Taylor, C. R., & Zou, S. (2006). Advertising Standardization's positive impact on the bottom line: A model of when and how standardization improves financial and strategic performance. *Journal of Advertising*, 35(Fall), 17–33.
- Ozsomer, A., & Altaras, S. (2008). Global brand purchase likelihood: A critical synthesis and an integrated conceptual framework. *Journal of International Marketing*, 16(4), 1–26.
- Ramaprasad, P., & Hasegawa, K. (1990). An analysis of Japanese television commercials. *Journalism Quarterly*, 67, 1025–1033.
- Ricks, D., Arpan, J., & Fu, M. Y. (1974). Pitfalls in advertising overseas. *Journal of Advertising Research*, 14(6), 47–51.

- Samiee, S., & Roth, K. (1992). The influence of global marketing standardization on performance. *Journal of Marketing*, 56(2), 1–17.
- Schwaiger, M., Renhak, C., Taylor, C. R., & Cannon, H. (2007). Can comparative advertising be effective in Germany? A tale of two campaigns. *Journal of Advertising Research*, 47(1), 2–13.
- Taylor, C. R. (2005). Moving international advertising research forward: A new research agenda. *Journal of Advertising*, 34(Winter), 7–16.
- Taylor, C. R. (2010). Towards stronger theory development in international advertising research. *International Journal of Advertising*, 29(1), 9–14.
- Taylor, C. R., & Johnson, C. M. (2002). Research on standardization vs. specialization of advertising in the 1990s: A review and directions for further research. *Advances in International Marketing*, 12, 45–66.
- Taylor, C. R., & Raymond, M. A. (2000). An analysis of product category restrictions in advertising in four East Asian markets. *International Marketing Review*, 17(3), 287–304.
- Terlutter, R., Diehl, S., & Mueller, B. (2010). Cultural dimensions of assertiveness in cross cultural advertising: The perception and evaluation of assertive advertising appeals. *International Journal of Advertising*, 29, 369–400.
- Triandis, H. C. (1994). *Culture and social behavior*. New York: McGraw-Hill.
- Trompenaars, F., & Hampden-Turner, C. (1997). *Riding the waves of culture: Understanding cultural diversity in business* (2nd ed.). London: Nicholas Brealey.
- Usunier, J. C. (2000). *Marketing across cultures* (3rd ed.). London: Prentice Hall.
- Waters, M. (1995). *Globalization*. London: Routledge.
- Whitelock, J., Roberts, C., & Blakeley, J. (1995). The reality of the Eurobrand: An empirical analysis. *Journal of International Marketing*, 3(3), 77–95.
- Zandpour, F., & Campos, V. (1994). Global reach and local touch: Achieving cultural fitness in TV advertising. *Journal of Advertising Research*, 34(5), 35.
- Zou, S., & Cavusgil, S. T. (2002). The GMS: A broad conceptualization of global marketing strategy and its effect on firm performance. *Journal of Marketing*, 66(4), 40–56.
- Zou, S., & Volz, Y. (2010). An integrated theory of global advertising: An application of the GMS theory. *International Journal of Advertising*, 29(1), 57–84.