



Comparison on the Impact of Standardization and Adaptation on International Marketing

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COMPARISON ON THE IMPACT OF STANDARDIZATION AND ADAPTATION ON INTERNATIONAL MARKETING

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Comparison on the Impact of Standardization and Adaptation on International Marketing

Shanon Yap Phui Wei^α & Rashad Yazdanifard^σ

Abstract- Study of the transformation of marketing solutions in the process of internationalization of a company acknowledge that the structure of marketing strategy in international markets is an evolutionary process and companies face a particular choice: to standardize or to adapt strategic marketing solutions. Seeking for successful international performance companies do not have to adopt one extremity. The objective of the international marketing strategy is to find an ideal combination of integration and rationalization of operations and solution systems in a global market. The goal of this article is to position international companies on a linear continuum revealing their overall approach towards standardization/adaptation, study the reasons influencing international companies' tactical attitude towards it, and lastly presents the primary managerial implications of the results. Furthermore, it identifies the reasons pulling towards adaptation or standardization into significant and peripheral; and present helpful insights towards practical application. This article provides marketing researchers and practitioners with an overview of the major factors that influence marketing tactical attitudes in international markets. This paper investigates the relationship between strategies of standardization and adaptation of the marketing mix and performance in an international context. Among the adaptation choices, price should be the first element of the marketing mix to be adapted, followed by promotion, product and distribution. This research also analyze degrees of adaptation to be applied to different segments, regions, and sectors, among other suggestions.

Keywords: *standardization, adaptation, international marketing.*

I. INTRODUCTION

As marketers observe around them, all they seem to notice in the broader marketing environment, is the confusion of change and the acceleration of doubt; a feeling that is rouse by the new millennium with all its promises – and threats - of epochal change (Vrontis & Thrassou, 2007). This confusion, change, and complexity are even greater within the international marketing environment. Taking into account of the existing internationalized market, companies have distinguish the internationalization of their activities as a approach to remain competitive. Decision-making relating to the international marketing mix has become crucial, specifically because of the influence this

arrangement has on performance. Thus, many researchers had identified the need for research that relates standardization and adaptation to performance. Some researchers think that a relationship between standardization and performance does not occur. On the other hand, others have identified a positive link between the adaptation of the product and its performance (Birnik & Bowman, 2007). Hence, the understanding about the effects of these strategies on performance appears as a gap in the literature which this paper plans to fulfill. This discrepancy clamors for the formation of more concise and defined theories, approach, and strategic frameworks, since marketers need to know under which conditions each strategy turns out to be more sufficient, and under which circumstances such strategies drive to positive performance (Vinícius, Livia D'Avila, Luis, & Engels, 2011). This paper studies the relationship between the role of the strategies of standardization and adaptation of the marketing mix and performance in an international context.

In the scope of international marketing, the argument over the degree of standardization or adaptation has occupied a important part of previous research. Previously, economic development focused on the surplus of exports rather than imports. Companies were concentrating on minimizing cost and increasing exports. Even so, due to changes in economic circumstances, companies recognized that cost minimization by itself is not sufficient enough. Throughout the evolution, companies became more consumer-oriented and more refined techniques were established and applied to determine and satisfy consumers' needs (Vrontis, Thrassou, & Lamprianou, 2009). Supporters of standardization perceived markets as increasingly homogeneous and global in scope and scale and believed that the crucial factor for survival and growth is a multinational's ability to standardize goods and services. Supporters of standardization agree that consumers needs, wants and requirements do not differ much across markets or nations. The general conceptual argument is that the world is becoming more similar in terms of environmental factors and customer requirements and irrespective of geographical locations, consumers have the same demands.

In contrast, proponents of adaptation pointed out the difficulties in applying a standardized approach and so patronage market altering and adaptation to

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meet the "unique dimensions" of distinct international markets (Vrontis et al., 2009). Moreover, followers of adaptation debate that there are an overwhelming amount of differences between countries and even between regions in the same country. It is claimed that marketers are subject to a number of macro-environmental factors, such as climate, race, topography, occupations, taste, law, culture, technology and society (Vrontis et al., 2009). Supporters of adaptation agreed that international companies should study how to alter their marketing strategy and tactics in order to meet market requirements.

Both schools of thought turn out to be sensible, logical and coherent, pointing up the advantages and benefits that an international company could obtain by applying either approach. It became impractical and incoherent when one focuses on the extreme position of either approach. Marketing reality for multinationals does not lie in either of these two polarized positions, as both approach are likely to coexist, even within the same company, product line, or brand (Vrontis et al., 2009). This article elaborates on current work on the subject to investigate the complicated interrelationship of different factors involved towards the application of standardization and adaptation. It provides valuable insights into the degree and nature of this relationship and determined practical issues relating to international marketing tactics.

II. ADAPTATION VERSUS STANDARDIZATION

The major objective of a global strategy is management of the huge heterogeneities that appear beyond domestic borders (Vinícius et al., 2011). International companies, in their intention to expand their global existence and market share, increase profitability and to solve problems concerning the saturation of current markets, continuously search possibilities for expansion (Powers & Loyka, 2007). Within the arena of international marketing, when a company chooses to begin marketing products overseas, an essential decision is whether to adopt a standardized marketing mix with a single marketing approach in all countries, or to alter the marketing mix to meet the unique dimensions of each potentially unique local market. However, literature stating practical indication advises that companies make contingency choices, which pertaining to core determinants in each situation (Vrontis et al., 2009). International marketing is not equivalent to standardization in marketing processes. Although each element of this process is influenced by standardization, this can be only one of the approaches used by the company. Vinícius et al (2011) study found the following:

"The approaches of international marketing follow three different aspects. The first is the concentration dispersion aspects, which identifies the organizational structure of the company. The second

is the integration-independence aspects, which has to do with the competitive process encountered by companies. The third handle the adaptation-standardization aspect, which concerned the degree of alteration or standardization of the marketing mix elements." (p. 272)

When a company chose to broaden its operation into foreign markets, it should decide on either standardizing or adapting the marketing mix. This can be accomplish when the organization uses a single strategy in all the countries, or tailoring the elements to each market. The company's decision to standardize or to adapt its strategies is essential, since it affects the organization's primary approach to business and how it will compete. The study of both external and internal factors is important for the standardization/adaptation decision as well as international marketing strategy (Atanase, 2009). Some marketers conclude that adaptation of knowledge management practices brings successful payoff. Heterogeneity in national culture would have an effect on knowledge management practices. The larger the heterogeneity between cultures the larger the obstacle in knowledge transfer across cultures (Ang & Massingham, 2007). In contrast, some conclude that decision to standardize knowledge management practices, despite cultural heterogeneity, can still obtain a positive outcome.

The argument relating the standardization or adaptation of the marketing mix in various markets has been a focus of many researches. Researches about standardization evoked in analyzing the standardization of promotion, been followed by researches about product (Barbu, 2011). Recently standardization researches contain all elements of the marketing mix - product, promotion, price and distribution, although promotion and product have been given more concentration (Vinícius et al., 2011). Generally, standardization has been analyzed under two aspects - standardization of marketing processes and marketing programs (Cheon, Cho, & Sutherland, 2007). The former is related to the philosophy, principles, and technology used in outlining and executing marketing decisions (Vinícius et al., 2011). The latter - the aim of this paper - refers to the elements of the marketing mix. Standardization is the adopt of the similar marketing program in various countries or regions, respecting the product offered, the promotion engaged, the price incorporated and the distribution process chosen (Vinícius et al., 2011).

The major debate supporting the standardization approach is the view that the world is becoming more and more homogeneous, particularly as an outcome of the development in communication and technology. As a result, tastes and cultures are becoming similar; world consumers are sharing preferences, needs, desires and demands (Vinícius et

al., 2011). This homogeneous of demands, together with united cultures and reduce of boundaries, companies would have opportunities to offer more standardized products, with standardized marketing programs (Irem, Bodur, & Yilmaz, 2010). Standardization, therefore, allows concentration on common segments, leading economy of scale and more uniform promotions (Heerden & Barter, 2008). Although such economies of scale, cultural and socio-economic heterogeneities among countries seem to oppose the standardization approach, sometimes demanding alteration to the market, and requiring more expenses to support the standardization decision (Vinícius et al., 2011). In any situation, the choice on standardizing or adapting must be established on the potential financial returns and risks incorporated for each alternative. The decision for global standardization will be desire only up to the point when a positive influence exists on the company's performance (Vinícius et al., 2011). However, huge heterogeneities between markets does exist, even in industrialized countries. In order to address these heterogeneities, alteration in design, packaging, price, or distribution of products is a necessity. Furthermore, viability, communication costs, media habits, heterogeneities in the range of distribution channels, intermediaries, financial resources and know-how may also cause problem (Vinícius et al., 2011). In short, absolute standardization can cause the company to fail when it comes to watching out of local consumers' needs, and might affects its alienation from the local market. In this situation, the standardization debate fall apart - particularly when taking into account the distinct heterogeneities between consumers, administrators and nations - and adaptation becomes a choice (Vinícius et al., 2011).

Most research argue that a standardized marketing approach is more likely to be executed for industrial goods than for consumer goods, as less adaptation is needed for industrial products than consumer products (Tan & Sousa, 2013). Moreover, some researchers have determined internal, organizational and managerial factors as important contingencies influencing the content of marketing approach. The first set includes the nationality of the company, the nature of its ownership, its international experience and its market share position (Yakhlef, 2010). For example, researchers advise a correlation between standardization and wholly owned subsidiary. With concern to managerial behavior towards international activities, such as the degree of centralization of decision-making and corporate orientation, the range of management's desire to approve foreign aspects was identify to affects the type of marketing approach used (Yakhlef, 2010). The management's point of view will affect the degree to which they standardize or adapt their marketing mix.

Economic freedom influence the environment by altering the driving force and learning of individuals, an issue that is of crucial importance in assuring economic efficiency. When economic freedom is homogeneous across markets, individuals and institutions encounter the similar environment across markets. Hence, if other circumstances permit namely that there are similarity in consumer response to the marketing mix, and transferability of competitive advantage, a great homogeneity in economic freedom will drive the marketer to pursue policies of standardization while a low degree of homogeneity in economic freedom across markets will restrain the marketer from pursuing policies of standardization (Viswanathan & Dickson, 2007). Industrial buyers may prefer standardized goods, because of the economies of scale, companies can implement lower prices while increasing quality and reliability. In addition, price standardization may advance export performance, especially if the domestic price is lower than the price in the export market or if the exporting companies can take advantage of the exchange rate between different currencies (Luis, José Luís Abrantes & Cristiana, 2008).

The fundamental for marketing standardization is the comparison of market operation in the home market to market operation in a foreign host market. Factors concerning the degree of standardization in a foreign market must be determined. Heterogeneities among countries cause international companies to view and form their marketing strategy on a country-by-country basis (Hise & Young-Tae Choi, 2011). Culture has no major effect on product, price, place and process (Hartmann & Vanessa Apaolaza-Ibáñez, 2013). Instead, the major effect is on promotional efforts, meaning that companies should adopt an adapted promotional strategy when penetrating a different cultural environment.

Transformational messages affiliate the brand with a unique set of psychological characteristics and thus are universal (Hartmann & Vanessa Apaolaza-Ibáñez, 2013). Contrarily, informational advertisements are more often localized, as they focus on consumers' practical and functional needs by highlighting product features or benefits. Standardization is a trade-off between the potential economic benefits of a standardized strategy, as well as the performance obtained by adapting to the demand of local markets. Moreover, researchers argue that different advertisements from different countries might create confusion amongst customers; thus standardized advertisements may help escape this (Hartmann & Vanessa Apaolaza-Ibáñez, 2013). However, advertisers may also encounter repression by national legislation. What is needed to be done is to determine the drivers of standardization perception and to create a campaign that fits their specific restrictions. An important strategic

decision for international advertisers is whether to localize, by adapting advertising campaigns to common characteristics of local target audiences, or globalize, by producing standardized campaigns on an international or even global scale. Concentrating on the adopt of images of the natural environment in green advertising, research concludes that imagery should not be adapted to the climate, vegetation or scenery characterizing the target audience's geographic location (Hartmann & Vanessa Apaolaza-Ibáñez, 2013). Contrarily, it is acceptable to assume that a standardized practice of nature imagery will be an effective strategy. An effective international strategy should imply standardized brand imagery, built around graphic representations of pleasant natural landscapes, featuring pristine, lush green scenery and clear, sparkling water (Hartmann & Vanessa Apaolaza-Ibáñez, 2013).

Proponent of global standardization debate that consumers live in a globalized world in which nation-states are not the main determinants of marketing strategy; and in which consumer tastes and cultures are similar and captured through the foundation of standardized global products created by global corporations (Vrontis et al., 2009). Well-managed companies moved from focusing on tailoring items, to offering globally standardized products that were advanced, functional, reliable and low in price. International companies will attain long-term success by focusing on what everyone wants rather than concerning about the details of what everyone thinks they might like (Vrontis et al., 2009). First, it enables international companies to preserve a uniform image and brand identity on a global foundation. Second, it minimizes confusion among consumers that travel. Third, it enables the international; company to form a single tactical strategy. And, fourth, it allows the company to take advantage of economies of scale in production and experience and learning curve effects. A company can concentrate on product differentiation and adopt standardized marketing practices across various markets. However, because the competitive market structure and its offerings can vary across markets, implementing standardization consistently to all international markets could reduce differentiation as a competitive advantage (Schilke, Reimann, & Thomas, 2009). Under these situations, an adaption marketing approach is necessary to preserve the integrity of the differentiation strategy.

It is advised that online standardization helps in cost savings. Website adaptation is basically a costly undertaking. Integrating culturally responsive features in a website necessitates the recruitment of culturally experienced employee and expert linguists not only to engage in the initial design and launch of country specific websites but also to contribute constant analysis and interpretation of cues and produce insights from online dialogue and interaction with customers that

live in culturally diverse environments (Rudolf, Sinkovics, Yamin, & Hossinger, 2007). The supporters of online standardization also believe that it will enhance the brand image of the company amongst its potential online customers. Moreover it is the preferred strategy to 'push' visitors through the conversion process from 'surfers' to 'purchasers' (Rudolf et al., 2007). This is important due to cost consideration as cultural online adaptation is rather costly and as long as the target conversion rate is not very high it can be accomplished by delivering a standardized online presence. Companies focusing cost leadership as a competitive strategy are more experienced in adopting standardization to improve performance because cost leadership and marketing program standardization have a uniform objective: to process advancement that expand efficiency (Schilke et al., 2009). Therefore, this competitive strategy and the company's marketing strategy enjoy a strategic fit and the potential for synergy.

The foundational support of the adaptation school of thought, is that the marketers is bound to a new set of macro-environmental factors, to different constraints such as language, climate, race, topography, occupations, education, taste, and to quite often conflicts resulting from different laws, cultures, and societies (Vrontis & Thrassou, 2007). It is distinct that people in different countries speak different languages; rules and regulations differ across national borders; most countries drive on the right, but some drive on the left. Moreover, there are other factors such as climate, economic conditions, race, topography, political stability, and occupations. The most significant source of constraints by far, and the most difficult to measure, are cultural differences rooted in history, education, religion, values and attitudes, manners and customs, aesthetics as well as differences in taste, needs and wants, economics and legal systems (Vrontis & Thrassou, 2007).

Proponent of this approach thinks that international companies should have to identify how they must alter an entire marketing strategy and, as well as how they sell, distribute it, in order to meet new market needs. Altering and adjusting the marketing mix determinants and marketing strategy are important and necessary to suit local tastes, fit unique market needs and consumers non-identical demands. High-context cultures such as Asia have consumer who are more likely to be influenced with advertising messages that are in transformational style, visual cues and have major information networks among family and friends and low-context cultures such as North America and North Europe who prefer an informational style, are more analytical/ action-oriented and adopt fewer personal networks (Krolikowska & Kuenzel, 2008). Research found that while there are similarities in how consumers in different countries define service quality, there are

also reasonable differences, which would need adapting service quality to local tastes. Therefore, there is no magic solution or standardization in the transmission of service quality in an international retail setting (White & Absher, 2007). Training of employees and delivery of customer service should consider the unique experiences and histories of the country, the culture, and the marketplace. In establishing and determining quality standards, international retailers should take these differences in quality definitions into account in order to identify the optimum level of service quality (White & Absher, 2007).

Proponents of adaptation of marketing solutions claims that, despite the expanding globalization, differences of separate countries when taking measure of such dimensions as consumer needs, usage conditions, purchasing power, commercial infrastructure, culture and traditions, laws, and technological development are still very different, thus a company's marketing approach should be adapted to them (Monika Alimiene & Kuvykaite, 2008). It is clear that a company should take actions that arouse demand. It should adapt itself according to market requirements, and this should be done sooner or later. Business is not made in markets, business is created and executed in societies, thus it is important to acknowledge the needs of all those societies and to take them into account when forming and implementing business decisions (Monika Alimiene & Kuvykaite, 2008). Marketers, who focus the needs of adaptation, believe that strategy standardization is a new marketing "direction" (myopia) with the goal to simplify market reality as much as possible and to decline the conception of marketing. Theory of global standardization approach may determine bankruptcy for most companies, because cultural and other market differences includes separate products, their properties and usage possibilities may determine wrong marketing mix solutions of a company (Monika Alimiene & Kuvykaite, 2008). Proponents of adaptation also claim that the most significant goal of a company is not reduce of costs through standardization, but long-term profitability, accomplished by capturing different consumer demands in different countries and therefore assuring of higher sales. Proponents of the adaptation approach argue that only several markets may be measure as being completely the same, thus adaptation concerning national demands is necessary in order to attract consumers and to increase sales (Monika Alimiene & Kuvykaite, 2008).

For the objective of this paper, adaptation of the product is define as the degree to which its elements (brand, design, label, product line, and quality) are adapted to the external markets in order to adjust to the differences in the environment, consumer behavior, standards of use, and competitiveness (Griffith, Lee, Chang, & Calantone, 2014). Therefore, adaptation

incorporates the adoption of particular strategies in each market, where the organization adapts its marketing mix to each environment. It incorporates the customization of strategies for different regions, based upon different factors. Adaptation is the adoption of marketing strategies with no common elements. Adapted governance strategies were expected to facilitate efficient and effective cooperation, and thereby improve export performance (Griffith et al., 2014). Vinicius et al (2011) study found the following:

"Pricing adaptation concentrates on adjustment to the external market for many reasons, such as economic, political, and legal issues, price controls, transportation costs, market structures, demands, rates, taxes, trade barriers, pricing practices, etc. Distribution adaptation is linked to the adjustment of the company's channels to the foreign market, as well as the criteria for choice of the distribution system, transportation, budget and network. Lastly, promotion is associated with the adjustments in the campaign (e.g. idea/theme, media channels, objectives, budget, etc.) created for the new market in comparison with the domestic one." (p. 273)

The larger the market, the greater the degree of adaptation needed, particularly in terms of promotional efforts. A company has good reason to sustain the additional costs of adaptation due to higher sales derived from large markets (Yakhlef, 2010). Market factors are characteristics indicating actual or potential levels of demand. A concentrate on such forces strive to capture changes in customer composition, customer needs, customer base, customer preferences and market demand growth (Poulis & Poulis, 2013). This is specifically significant since external forces – as agents of change – may pose an implementation barrier towards an often desirable standardization strategy or may render the need for adaptation ignored (Poulis & Poulis, 2013). Proponents of adaptation states that the assumptions highlighting global standardization theory are contradicted by the facts. Not only are cultural and other differences very much still in the ascendancy, but marketing products in the identical way everywhere can scare off customers, alienate employees and blindsides businesses to their customers' real needs (Vrontis et al., 2009).

There are three core phenomena that work to weaken a company's ability to standardize its channel strategy across international markets even when it is possible to standardize its product, price, and promotional strategies. First, though international company can "set the rules of the game" for their international product, pricing, and promotional strategies, culturally distant distribution behavior restricts a company's ability to unilaterally determine its international channel strategy based on its own cultural norms that underlie its distribution strategy (Dimitrova & Rosenbloom, 2010). In order to reflect the cultural

distinctiveness of global channel members, an adaptive channel management strategy is necessity. The second phenomenon, distributive institution rigidity, forms a threatening obstacle to standardizing channel strategy because the distribution infrastructure present in any given country is relatively fixed (Dimitrova & Rosenbloom, 2010). Therefore, even large international companies are not able to effects the type of changes in a specific country's distributive infrastructure needed to accommodate a standardized marketing. The third phenomenon that weakens the adoption of a standardized channel strategy in global markets is international functional fragmentation strategy (Dimitrova & Rosenbloom, 2010). Foreign intermediaries in different countries seldom carry out similar marketing functions or distribution tasks. Consequently, companies operating in global markets need to tailor their channel strategies by assigning distribution tasks in any given country based on the capabilities of their intermediary channel partners to carry out the set of distribution tasks needed to produce products and services obtainable to final customers (Dimitrova & Rosenbloom, 2010).

III. ACHIEVING THE RIGHT BALANCE

Some believes that the important question is not whether to standardize or to adapt marketing strategies, but how much to adapt them. The degree of adaptation of the product and promotion is greatly influenced by the company's characteristics, products and industry, as well as by the foreign market's characteristics (Vinicius et al., 2011). Thus, many researchers turn down the extreme adoption of only one or another strategy. Instead, they think that there is a need for the simultaneous adoption of both strategies, where the degree of standardization or adaptation should be determined by internal and external factors (Vinicius et al., 2011). The determination whether to standardize or adapt is not treated as a dichotomous one. For example, some academics propose that standardizing certain tactics and adapting others to different market conditions is significant. Standardization and adaptation is not an all-or nothing proposition, but a matter of degree. Heterogeneity among different countries does not approve full standardization. In contrast, the enormous costs involved in adaptation and the advantages of standardization, may not approve adaptation to be adopted greatly. There are three factors to investigate standardization/adaptation attitude: similarity of customer response to the marketing mix, transferability of competitive advantage and homogeneities in the degree of economic freedom (Vrontis et al., 2009). Even in countries with homogeneity cultures there are differences in customer needs and wants. Furthermore, standardization will be successful when the similarity of customer response and the degree of homogeneity in economic freedom is great

and competitive advantages are easily transferable (Vrontis et al., 2009). The aims of decreasing costs and market complication lead companies to look at standardization, while customer orientation may persuade them toward product adaptation. Decisions on international marketing tactics were determined by a number of determinants. These determinants are categorized into "reasons" and "factors". Reasons are those behavioral aspects "pulling" multinationals' tactical behavior towards one or the other side of the continuum, while factors are those determinants affecting the behavior and its relative significance (Vrontis et al., 2009). Multinational companies should be simultaneously focused on the facets that need global standardization as well as on those demanding a local variation; combining elements of both strategies, standardizing the elements that bring advantages, and adapting those that capture the needs of the local market (Vinicius et al., 2011).

An approach that combined standardization and adaptation, i.e. to judge a company's development and marketing solutions "glocally" was proposed (Monika Alimiene & Kuvykaite, 2008). Aspects of the strategy of local, international, multinational and global marketing are include in the theory of glocal strategy. Maximize adaptation, alteration to conditions, heterogeneous and other characteristics of the local market are the goal of local marketing. Local market aspects are recognizes as significantly important for marketing solutions in local marketing strategy. International strategy enlarges local marketing strategy, adopting in foreign markets those marketing solutions of the local market that are also applicable for foreign markets, while the essence of multinational marketing strategy is to decide on some markets from many markets where it can adopt marketing solutions that have already been executed (Monika Alimiene & Kuvykaite, 2008). International and multinational marketing strategies acknowledge the needs to alter some marketing solutions to the needs of foreign markets, but their major goal is global development, i.e. companies that support these strategies firstly pursue to maximize standardization, similarities, homogenization, concentration and synchronization of marketing solutions, and integration, but they also recognized the likeliness to adapt those marketing solutions that are important for successful operation of the company in foreign markets (Monika Alimiene & Kuvykaite, 2008). While the goal of the global marketing strategy is solely to standardize marketing solutions at the maximum, to concentrate, synchronize and integrate marketing activities in all markets of the world, i.e. the results of the global marketing strategy is the same marketing solutions in the whole global market, while the outcome of international and multinational marketing strategies is marketing solutions that are the same in some

circumstances and meanwhile in other circumstances adaptation of marketing solutions with regard to the unique market circumstances and characteristics is selected (Monika Alimiene & Kuvykaite, 2008).

Although the very broad adoption of the concept of global marketing strategy, regularly activities typical of international and multinational marketing are evaluate rather than of global solutions. Pursuing to escape ambiguity the conception of "glocal marketing" was proposed - it combines local and global aspects of marketing strategy (Monika Alimiene & Kuvykaite, 2008). This strategy vary from the global marketing strategy because it recognize the signification of local factors for marketing solutions, moreover, it includes also typical actions of international and multinational marketing. Glocal marketing includes a broader field of the company's marketing solutions than global marketing because glocal marketing solutions may be formed in operational as well as tactical levels, while the sole field of global marketing is the strategic level of decision-making because in the choice of tactical and operational levels the aspects of adaptation, heterogeneity, flexibility, etc. are evaluated (Monika Alimiene & Kuvykaite, 2008).

When investigating the latest study of marketing strategies when companies conduct their operation in foreign markets, it may be noticed that more and more researchers believes that global marketing solutions cannot be formed in the strategic level or these solutions should be indefinite enough since a altered competitive environment induce a smaller use of standardization and a bigger necessity to adapt to each market circumstances (Monika Alimiene & Kuvykaite, 2008). A company's marketing strategy should be integrated in all levels of decision-making, so strategic decisions of global marketing should not be against tactical and operational decisions and actions of the company. Standardization of global marketing solutions verifies the use of the same marketing mix in the whole global market, but global standardization is often not applicable to companies because of heterogeneities of language, culture, consumer preferences, laws and rules, marketing infrastructure and competition structure in different countries (Monika Alimiene & Kuvykaite, 2008). Full adaptation of marketing solutions is also not applicable because in such situation companies cannot use benefits supplied by scale economy, marketing knowledge and information attained in other markets. Thus, when making decisions about marketing activities when conducting operation in foreign markets, a company should take account of benefits and obstacles of standardization and adaptation and should pursue to incorporate those two approaches in its activities.

IV. DISCUSSION

Both perspective of standardization and adaptation seem logic and coherent. However, the

difference of the markets does not approve total standardization, and the huge costs of adaptation do not approve its use for the entire marketing mix (Vinicius et al., 2011). Marketers seem to escape the polarization of these strategies since their extreme adoption is disadvantage. This action is preserved by some marketers who repel the use of only one strategy for all markets. Maybe one of the determinants that make this a growing debate is that both standardization and adaptation consider their own view as being exclusive and predominant. Interestingly, findings support the presence and signification of both approaches, because research discovered positive relationships between both the adaptation and the standardization of the marketing mix, when related to performance (Vinicius et al., 2011). While distinctly investigating each of the variables of the marketing mix, it was discovered that the price adaptation is, among all the marketing mix variables, the one that should be concentrated on the most (Vinicius et al., 2011). The adaptation of product and promotion should also be treated as more significant than distribution adaptation. The major decision a marketer should make is not fundamentally which of the strategies to adopt, nor which approach to favor, but the degree of the strategy used. The companies also have to take into account its common strategy, the environment and market orientation. Generally, cutbacks of cost and market complication are the most typical reason for standardization, while the need to take care of the selective necessity of each market is a common impetus for adaptation (Vinicius et al., 2011). Findings also reveal that both standardization and adaptation strategies can coexist and cause responses on performance. Thus, the main choice is "how much", i.e., to what degree should each strategy be adopted. Some practical examples can portray these suggestions. For instance, companies such as Nike, Levi's and Coca-Cola are recognized as global, and they tend to view the world as a single market. But even these companies have adapted their marketing mix, sometimes in an indirect way. Coca-Cola, for example, sells virtually the same product all over the world: Coca-Cola. However, beyond this headlining product, its main strategy is diversification of products and their adaptation, encompassing all its consumers in the 200 countries where the company operates (Vinicius et al., 2011). In Japan, one of its major markets, its products consist of coffee, teas and even Real, a hangover cure. The adaptations also consists product descriptions, the ingredients, packing, line of products, and advertising campaigns (Vinicius et al., 2011). Even though there is a prototype product, local adaptations are still used.

The companies seem to standardize or adapt their tactics in different ways for different elements of the marketing mix. Reasons pulling towards the adaptation part of the scale are the political environment and the heterogeneities in physical conditions (Vrontis et al.,

2009). Easier planning and control and stock costs reduction are the only factors with statistically important contribution to the model. It is amusing to discover that the standardized weight of the Adapt construct is almost twice in magnitude compared to the standardized weight of the standardize construct (Vrontis et al., 2009). It might be conclude that the necessity to Adapt is more powerful compared to the necessity to standardize. The greatest standardized weights for the Adapt construct are for the physical conditions and then for the political environment and the Laws (Vrontis et al., 2009). Market development has the smallest standardized weight. For a international company to be successful it should integrate ingredients of both strategies. International companies in their attempt to be efficient and enjoy as much as they can the advantages of both strategies, try, on the one hand, to standardize various marketing mix elements and marketing strategies but on the other hand, to implement adaptation in order to uphold marketing orientation (Vrontis & Thrassou, 2007). Success is not determine upon adaptation or standardization, but it is determine upon combining the two and discovering the right degree of standardization and adaptation across the marketing mix elements and marketing strategies for each country. It was determined that the most significant factors driving international companies towards international tactical adaptation are culture, market development, competition, laws, economic differences and differences in customer perceptions (Vrontis & Thrassou, 2007). International companies are conscious of the advantages related with global standardization. International companies standardize a number of marketing tactics. The most significant factors for standardizing are global uniformity and image, economies of scale and synergetic and transferable experience (Vrontis & Thrassou, 2007). It is therefore evident that even though international adaptation and global standardization of marketing tactics do take place, and can bring advantages, the choice on tactical behavior is not a dichotomous one between complete standardization and adaptation. The decision regarding these two polarized positions is a matter of degree.

V. CONCLUSION

The ongoing argument in international marketing as to whether companies should standardize or adapt their international marketing strategies and market entry methods remains to be a focal point of research in academic literature. It is also an important and growing interest for every international company and marketing practitioner. This paper has discovers that it is illogical for companies to pursue complete homogenization of the marketing mix, except under distinctly particular sets of situation and certain product categories. Yet, it is also true that the global market is

becoming more homogenized - to a degree in fact - that international companies can market their products and services in the same way all over the world by adopting similar strategies with concurrent lower costs and the advantages of greater margins which correspond to expand profitability. The globalization of society is primarily a growing phenomenon influence consumers and companies everywhere. A phenomenon, though, which does not and cannot consider to a globalization of markets. In contrast, complete heterogeneity is also a misapplication, as many researchers have pinpointed, especially where ongoing and distinct heterogeneities present between different countries and markets and even more for consumer goods.

A critical question therefore is what should companies do when facing decisions in this area? Research found that on a tactical level an either/or approach is inadvisable and one likely to ruin businesses. In line with the empirical and statistical evidence, this paper introduced, further developed and elaborated on Adapt Stand approach, which encourages companies to standardize tactics where possible and adapt them only where needed (Vrontis et al., 2009). This is distinct from the glocalization term which point out to the organization that want and capable to think globally and act locally to fit the demand of different nations and cultures. While it is coherent to standardize where possible, unreasonable generalizations from one marketing condition to another should be escaped at all costs as every market and every customer could differ. Marketing practitioners should be aware that there is a fine line between the advantages of adopting a standardized approach, when possible and preferable and the risks of searching a level of required homogenization. It is also acclaimed that, marketers and managers are not making one-time one-off decisions. International companies can and do at the same time concentrate their attention and resources on aspects of the business that demand global standardization and upon aspects that require local responsiveness. When and where possible and needful operation should be standardized, however, processes in local markets may also need local flexibility. International companies must aim to search and preserve an equitable balance. This is not a direct task, particularly when dealing with the changes of environmental, competitive and market forces (Vrontis et al., 2009). Therefore, making decision on the "balance" between standardization and adaptation is difficult to accomplish and a challenging conundrum of a growing nature.

This paper has, however, emphasized that standardization and adaptation is not an all-or nothing proposition, but a matter of degree. It determined that the high costs incorporated in the international adaptive approach, together with the international companies'

motive to obtain the advantages of standardization do not approve such adaptation to be adopted in an absolute manner. In addition, organizational differences, heterogeneity among different countries, macro and micro environmental factors as well as companies' motive to capture consumer's various necessity, do not approve standardization to be used broadly. International companies should therefore combined ingredients of both approaches, based on a definite perception of the dynamics of the served markets. Moreover, the paper found that the marketing reasons pulling towards adaptation or standardization do not uphold the same degree of significance in international companies' tactical attitudes. Genuinely, it was identified that they can be categorized into "significant" and "peripheral" ones; with the latter also influencing international marketing tactics, but to a lesser extent. The findings determined that "market development", "differences in physical conditions", "legal reasons" and "political reasons" are important towards adaptation, and they were termed as such (Vrontis et al., 2009). "Economic differences", "culture", "differences in customer perception", "competition", "technological factors", "sociological factors", "level of customer similarity" and "marketing infrastructure" were determined to have a smaller importance as reasons pulling towards adaptation and they were termed "peripheral reasons" (Vrontis et al., 2009). On the other hand, "easier planning and control" and "stock costs reduction" were determined to be the importance reasons pulling towards standardization; while "economies of scale in production, research, development and promotion", "global uniformity and image", "consistency with the mobile consumer" and "synergetic and transferable experience" were determined to be the corresponding "peripheral reasons" (Vrontis et al., 2009). Any company conduction operation internationally does not, and in fact should not, make a one-time decision between the poles of absolute standardization or adaptation. International companies, operating in diverse countries adopting different entry methods, must incorporate marketing tactics. Managers and executives should concentrate on aspects of the business that demand global standardization and aspects that need local responsiveness. The driving forces in either situation are the needs and wants of target markets and organizational resources.

It has been debated that the international market has become similar that international companies can market their products and services the same all over the world by adopting similar approach with resultant lesser costs and greater margins (Vrontis & Thrassou, 2007). In contrast, some researchers highlight the distinct heterogeneities between the markets of different countries, particularly those for consumer goods and debate in favor of adopting international

differentiated marketing programs. International companies should not view the world as one single market. They should engage market research and identify their customers, their needs and wants. They should get to identify their customers and acknowledge their problems. Similarly, they need to acknowledge their unique external environmental constraints and advantages of standardization (Vrontis & Thrassou, 2007). Each element and sub-element of the marketing mix and market have to be investigated on their own benefits and drawbacks. Using primarily one-sided ideas for or against standardization and adaptation is not very wise, as in practice the degree of incorporation necessary has to be used in ways that take account of given situation. It is suggested that marketing practitioners engage first an internal and external environmental analysis to investigate a company's organizational position and industrial barrier in a single market (Vrontis & Thrassou, 2007). The advantages acquired from globalization should also be recognized. This paper contributes marketers and managers with a study of what affects marketing attitudes in international markets. Marketers will be better capable to determine the significance of the reasons, factors and elements of the marketing mix and any heterogeneity between them concerning to their circumstances. An insights and study of the above could bring advantages and guide international companies in developing international marketing planning and executing marketing strategy and tactics. The study and execution of the right degree of incorporation are important as it increases the possibility for international companies to remain competitive and marketing orientated within their industrial structure and international marketing field (Vrontis & Thrassou, 2007).

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