

Interrelationship between Culture and Marketing Strategy: Multiple Case Studies from the Netherlands

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Abstract

The purpose of this qualitative study was to find out whether or not culture plays a critical role in the choice of a marketing strategy. Overall, the key findings reveal that culture has greater influence in the formulation of a sustainable worldwide marketing strategy. Culture is a critical factor in the global business milieu. Thus, there is the need for marketing managers to have a good understanding of the cultural issues within the environments that they operate. This will enable them to realize the objectives of their companies through the marketing strategies that they design and implement. However, it was not very clear whether such a marketing strategy needs to be localized or standardized. In general, the findings indicate that a competitive marketing strategy must align with the local culture so that it can meet the needs and requirements of the target customers.

Keywords: *adaptation, competitive, culture, standardization, The Netherlands, marketing strategy*

1. Introduction

Designing marketing strategies for worldwide business organizations begin with a dichotomy of which is more effective, the localization approach or the standardization approach. Keegan & Green (2005 p. 29) has distinguished the core of global marketing program as finding the 'balance between a standardization (extension) approach to the marketing mix elements and a localization (adaptation) approach that is responsive to country or regional differences'. Moreover, an effective worldwide marketing strategy depends on the skill of the company's management team to agree on the many value chain components of the marketing task and come to a decision on which factors can be made possible on a worldwide basis and which can be adapted to home preferences.

It has been largely recognized that in adopting a standardized or a localized marketing strategy in global markets has been influenced by several issues including culture, economics, environment, and politics. Considering the current unpredictable but widespread intensification in global commerce that has taken place over the last two decades, as far back as the early 1990's (Curry 1999) and with the consequent globalization of business, companies which have had to accept and cope with the challenges of the rate of learning in every sphere of their trade undertaking. This explorative study makes an effort to understand the application, role, and character of culture concepts in international marketing. Culture and cultural characteristics form the core of global marketing. Consequently, it is important that marketers get a good understanding of what culture entails so that they will be able to design winning, cost effective and relevant marketing strategies. If companies which are operating worldwide could devote their scarce resources on time and energy on cultural education and appreciation, then they can equally be swayed to critically evaluate the impact which culture assert on marketing as well as on the targeted market.

2. Research Problem

In 1983, Theodore Levitt published a paper entitled, 'The globalization of markets'. In this paper, Levitt strongly asserted that 'companies must learn to operate as if the world were one large market, ignoring superficial regional and national differences' (Levitt 1983 p.92). Since then, there has been the long-standing debate as to whether to standardize or localize (adapt) the marketing strategy. Several marketing researches have started to take into account the cultural and market changes brought about by the flows of ideas, people, technologies and media (Appadurai 1990) in the market environments, and their consequent behaviour on companies. A specific call made by Douglas & Craige (2011) that there need to be closer consideration of the influence of environmental factors on the decisions of marketing practitioners and research into the impact of contemporary cultural change-producing forces going on in the world where the restrictions between cultures are becoming more and more porous.

Hence, the main objective of this research was to investigate the potential convergence of a global strategy and the manner in which marketing and culture interact; to find out how culture determines the localization or standardization of a marketing strategy, and to establish which components of the marketing strategy should be standardized or localized.

3. Review of literature

3.1 The International Marketing Environment

The inimitability of international marketing derives its source from a wide range of exotic and untried events existing in the business environment and the diversity of approaches required to manage and deal with the

various degrees of ambiguities faced in overseas markets (Cateora et al. 2011). Chee & Harris (1993) have observed that companies who will achieve their business objectives are those that will understand and become familiar with the business environment that strive to change its outcomes. Moreover, the international marketing setting is made up of both controllable and uncontrollable factors (Cateora et al. 2011). Elements that are controllable are the ones that the marketer can take advantage of and these constitute the basis upon which the business strategy, including the elements of the marketing mix. Cultural forces constitute the uncontrollable factors (Cateora et al. 2011).

Success in a world awash with sudden changes and breakdowns in otherwise continuous process of recently prevailing forces and hazards, and of unanticipated influences from foreign countries, companies must acquaint themselves with these issues and respond in a dynamic manner. Innovative approaches need to be explored, new plans designed, as the manner of conducting business requires a radical change. To facilitate and support a nation, remain a competitor in the global economy. Individuals, companies, as well as governments need to act assertively with novelty, process development and resourcefulness. As recommended by Czinkota & Ronkainen (2007), the 'new set of macro-environmental factors have to be understood and responded to in order to let international markets become a source of growth, profit, and this needs satisfaction'(p.15).

3.2 Culture

Cultural differences are frequently stories of interest, and it is observed that many corporate organizations make a lot of business blunders and this sometimes may not auger well for business relationships. Cultural variety should be appreciated not just as a reality of life but as a constructive and affirmative advantage. Diversity may truly propose better answers to challenges shared among several countries. Cultural proficiency has often been acknowledged and accepted as a very critical marketing skill (Moon & Park 2011; O'Hara-Devereaux & Johansen 1994).

In view of the foregoing, several modifications could be proposed in an attempt to accommodate the great multiplicity in customer tastes and work arrangements by developing an attitude of recognizing similarities and making room for variations. The practical implications are that creative ideas can be passed on across national boundaries for high-quality organization and tailored to home or regional circumstances for effectiveness. An example of the general manager of Nestle Thailand who in one of his routine working visits to the corporation's command centre in Switzerland was given a briefing on a campaign and marketing drive for an innovative product known as Nescafe Shake, a kind of cold coffee drink. This led to the Thai group to quickly take up and adapt the initiative. It modelled and fabricated plastic containers in which the drink was blended. In addition, Thai Nestle Group invented a dance along with 'the Shake' to make the product widely liked or appreciated by local consumers (Rapoport 1994; Czinkota et al. 2007). Incompetence and lack of skill in cultural issues, may undoubtedly risk loss of millions of dollars or Euros in unnecessary negotiations, prospective purchases, deals and sales as well as customer relations. Besides, the company's internal dynamics may be damaged if senior executives, workforce, and agents are not able to understand each other or have a common opinion.

Culture provides a person an anchoring point, a clear identity and way of behaving. Kroeber & Kluckhohn (1985) analyzed over one hundred and sixty definitions of culture and found out that some definitions posit culture as differentiating human beings from non-human beings. Culture has for instance been defined as communicable knowledge and the sum total of historical achievements created by people's social life (Kroeber & Kluckhohn 1985). There is a common thread running through many definitions. Culture is learned; it is shared with others; and it is also passed on from generation to generation. Fundamentally, culture is transmitted by parents to their offspring, through social associations, the state, special-interest groups, the schools, the church and other means such as the mass media. Culture initiates traditional or typical ways of thinking and acting that are cultivated and progressively strengthened by means of social pressure as been corroborated by Geert Hofstede who conceptualized and termed it the 'collective programming of the mind' (Hofstede 1994). Culture is thus a multidimensional concept which is made up of several common characteristics that are mutually dependent. Changes that are taking place in any of the aspects will have an effect on the others as well.

3.3 Standardisation versus Cultural Adaptation

It is important to distinguish between standardization and adaptation of global marketing. Standardization of global marketing is a worldwide marketing approach for employing essentially the same marketing approach and mix in all the company's markets globally (Armstrong & Kotler 2008). For example, Coca Cola company has standardized its products globally by selling everywhere and the almost everyone has welcome the company internationally (Levitt 1983). Adaptation is the second global marketing strategy. Culturally adapted worldwide marketing is a global marketing approach whereby both the marketing strategy as well as marketing mix components are modified to each target market worldwide, taking on more costs but with the expectation of increasing the market share and profitability (Armstrong et al. 2008). For example, Nokia and Samsung have customized their mobile phones for all their key markets (Armstrong et al. 2008).

The debate about whether to localized or standardized the marketing mix according to country peculiarities has not been completely settled and the guiding principle under which the discussion has come about has advanced

from the 1970's as 'standardisation vs. adaptation'. At some stage in the 1980's, the debate focused on 'globalisation vs. localization' and to 'global integration vs. local responsiveness', in the 1990's (Cateora et al. 2011 p.332). Different terminologies are used to describe the same concept.

Supporters of standardization assert that worldwide market segments are becoming visible and that not only the marketing communication can, but need also to be homogenized throughout the entire marketplace (Melewar & Vemmervik 2004; Brei, dÁvila, Camargo, & Engels 2011). They accept as a fact that the great diversities traversing markets and cultures seem to be progressively decreasing. Herbig (1998) gives support to this observation and believes that cultures are indeed converging to form one shared global culture. Herbig (1998) urges marketing practitioners to seriously focus on responding to global needs, identifying common topics of consensus and concentrate on significant issues.

Toyne & Walters (1993) proposed that companies learn how to conduct business as if the earth was just a single big market, disregarding trivial national differences. Their quest is supported by the major gains derived from standardization. We can say that coke has become worldwide success simply due to the company's global marketing operation. Achievement may not be entirely due to a total homogenization of the marketing mix elements. Let us give an example, Coca-Cola secured a lot of success in Japan through heavy investment of time, effort and money to put together a comprehensive local infrastructure besides its extensive sales drive and retailing machinery. The success story of Coke in Japan was essentially on account of its ability to attain global localization (Ohmae 1991; Keegan et al. 2005).

Coca-Cola was as much of a local company but in spite of everything, the company continued to enjoy the advantages of international business operations. This suggests that any marketing practitioner who desires to achieve success in the marketplace must be able to think globally and act locally.

4. Research Approach and Methodology

The research approach adopted in this study is exploratory as well as descriptive in nature. The aim was to make it possible to identify the key variables that interact with one another, to search for new insights, to pose questions and to assess phenomena in a new light (Saunders, Thornhill & Lewis 2007; Leavy, Saldana & Beretvas 2011). In this study, the phenomena are international marketing and culture. The goal is not to quantitatively assess the relationship between culture and international marketing, but more accurately to clarify and describe such a relationship which will result in rich data gathered. The intent of such a qualitative study was to understand a particular phenomenon, occurrence, role and interaction (Creswell 2014).

The research also adopted a multiple case study methodology. There are several motives for choosing the case study design to carry out this research. First, it will enable the researcher to gain a holistic view of the phenomena: how culture influences the choice of the marketing strategy, provide a global picture given the numerous sources of data utilized (Creswell 2014). Second, a case study is effective in depicting the emergent and immanent characteristics of a marketing environment particularly as found in many countries across the world (Saldana 2011). Third, it is most appropriate in an exploratory study when the overall objective is to offer and respond to "how" questions seek to clarify a specific subject matter (Yin 1994). A multiple case study makes it possible for the researcher to discover differences within and between individual cases. This would lead to replication of research results across cases. Comparisons will be made as the cases are selected circumspectly in order that the researcher can make a prediction of comparable findings across cases and predict divergent findings rooted in theory (Yin 2003). This mirrors positively on the trustworthiness of the qualitative information presented.

4.1 Sampling and Population

Since the objective of this study was to investigate whether or not culture has an impact on the choice of a marketing strategy, the researcher selected only companies that have an international marketing experience as the entity of examination. The research purposely targeted employees who formed part of the decision-making process and marketing practitioners with at least ten years of practical experience and hold an MBA degree.

According to Crouch & McKenzie (2006 p. 484), research utilizing the interview approach and engaging a small number of participants are widespread. This research interviewed ten chief marketing and communication officers. Out of this number, only one was a female. Even though participants come from five different countries, they all live and work in the Netherlands.

In order to consider which companies to include in the sample, the study utilized purposive sampling. The choice of this approach, envisaged that a non-probability sampling that fit a specific and reliable criteria would surface (Saunders et al. 2007). This was considered an effective and reliable way of choosing case-companies endowed with rich information and relevant to the research problem (Creswell 2014; Shaw 1999). Purposive sampling was also utilized to provide the research with in-depth understanding of the influence culture has on the formulation and execution of a worldwide marketing strategy. Companies that run businesses in more than ten countries and are in operation in at least twenty years or more were selected as research sites.

A phenomenological study, like this one, Creswell (1998 p.64) recommends a sample size of between five to twenty-five sites and participants to be included in the study; Morse (1994) suggests at least six; and for all

qualitative research, fifteen is the smallest suitable and acceptable sample (Bertaux 1981 p.35). A further ten participants were selected from high-level employees working in good-standing multinational companies operating in the Netherlands. The sampled companies included IKEA, Royal Dutch Shell, Ahold, Zeeman, Unilever, Philips Koninklijke, ING Group, Heineken International, ASML Holding and Blokker Holding. By drawing participants from these companies (which are distinguished for their effective and successful worldwide marketing endeavours) gave assurance that respondents possessed the relevant experience and insight to offer authoritative and constructive input to the exploration was assured.

Prior to gathering any information, the researcher sought permission and approval from each of the ten senior managers who participated in this study. The researcher went personally to each respondent's workplace and conducted a face-to-face interview with the respondent. Each interview lasted between 30 and 45 minutes and this was considered adequate time.

Based on the original interviews, the researcher reviewed the transcriptions. Follow-up questions were prepared and personalized to each respondent. The researcher made summary notes and recorded them in a journal immediately after each interview. The respondents' answers, as well as, first round thoughts were also written down in a log book as suggested by Miles & Huberman (1984). The words and language spoken by the respondent alongside the tacit and implicit were taken into consideration when writing the field notes.

4.2 Analysis of Data

The main objective of the study was to obtain an in depth descriptive understanding of the research problem and come out with information that is rich, solid and coherent with the qualitative method of enquiry. Qualitative investigation followed an inductive procedure (Creswell 2014; Hyde 2000). The inductive process entails moving from the specific to the general (Ginsburg, 2009). The aim of using the inductive reasoning was to critically analyze the pile of information, to categorize themes that were frequently recurring and to introduce the phenomena. This approach was also applied in this enquiry in order to explore and infer to so that it would be transferable from the particular to the general, based on an examination of the evidence and an accumulation of knowledge (Saldana 2011).

Responses from the questions of the participants' were sorted out for key words, themes and broad common categories (Creswell 2014; Saldana 2011). Such classification emphasized attitudes that are universal to all global marketers. A common agreement on a particular issue was utilized for accurate categories. This gave a comprehensive description of what the study seeks to explore. Inimitable or distinct substance was classified differently. Such substance was treated discretely and reported differently. The research kept diversity and precaution against selective perception of the message contained in the responses.

5. Results of the Study

Questions were asked to participants to find out the following: (1) Whether there is a real possibility of convergence of cultures into one big global culture; (2) In which sense culture and marketing interact and interplay with each other; (3) When is it appropriate for a marketing manager to adopt a localized marketing strategy; (4) What is the practicality of a localized strategy in the global marketplace; (5) Whether or not culture hinder the achievability of standardization; (6) Which aspects of the marketing strategy should be standardized and which ones should be adapted since marketing strategies act as the essential foundation of marketing plans created to satisfy market needs and to realize marketing objectives (Pride & Ferrell 2013).

5.1 The Convergence of World Cultures

The first question that was asked was whether marketing professionals believe that there is convergence of all cultures towards one global culture. Respondents answered in the affirmative that some convergence take place. Respondents admitted that there will never be a complete obliteration of cultural differences to the extent that will give way to a single global culture. Respondents further acknowledged the ever growing similarities found among many cultures across the major world economies. Therefore, it appears that it is this increasing integration of the major economies of the world that hint on emerging universal world culture. The captions recorded underscore the views of respondents:

- *“My experiences have informed me that there are enormous differences as well as many common grounds. Looking at the differences that prevail, there will never be a common worldwide way of life, even in the way people conduct businesses.”*
- *“I come from the southern part of the Netherlands, but when I travel to say, further north, I see myriad of differences in the way people live. Yet, we are one people, with one language and very many things in common. Therefore, I do not foresee an emerging world culture.”*
- *“Indeed, humanity is unquestionably becoming a whole world considered as a single community served by electronic media and information technology. Nonetheless, I am convinced there is for eternity the character of the indigenous civilization, taste and mores. I also believe that people everywhere are becoming more tolerant and accepting the way of life of others who are different. This is the beauty of the world.”*
- *“I think that clearly a convergence of cultures exists in our world. We have more or less become a*

global village because of advanced information technology configuration. To proof to you that there is universal world culture, just see how Apple, McDonalds, Coca-Cola and many big companies are successful everywhere. Why is it so? What I have observed is that these global corporations have similar marketing ads everywhere you go. However, it is their implementation strategies that are entirely different. McDonalds' have the same message for all market places, but how that single message is broadcast or propagated differs across countries".

- *"Let us discard the perception that countries are moving towards becoming a single or unified culture. Even a particular country you cannot say that all the people have a single culture. Culture will differ from one region to the other, within the same country. Look at Indonesia, China, India, and the United States of America, even here in the Netherlands, does a single culture prevail? There is countless and numerous number of sub-subcultures in each of these countries. To do business in any one of these countries the knowledge and understanding of each sub-culture is critical and not negotiable".*

Deductions from the responses reveal that marketers need not take for granted a convergence of cultures taking place in the world if marketing practitioners themselves cannot actualize this on the basis of individual country level. However, discussions did not reveal comparisons between and among countries. On the basis of the above, the following propositions can be formulated:

P₁: The reality found in the world today does not show absolute convergence of cultures to postulate the uniformity of cultures.

P₂: There are cultural differences within and across countries and these must be taken into account when designing marketing strategies.

5.2 Enculturation of the Marketing Strategy

Two major clusters of responses were identified with regard to whether the marketing professional needs to design a marketing policy based on the cultural realities prevailing in a given place or whether the culture as a whole would undergo some changes in order to fit the marketing program and the product produced for sale.

In the first cluster, respondents indicated that the task of marketing is not to change culture, it is rather the marketing practitioner that needs to take account of the cultural realities that are alive in a country and design marketing strategies as based on this. The verbatim testimonies of respondents testify to this:

- *"I prefer that culture should precede the marketing strategy. Since the consumer is a product of culture, it is necessary that the marketer designs the marketing strategy guided by culture."*
- *"Culture has an effect on every facet of marketing. The products people purchase, the characteristics they attach importance to, and the marketing personnel whose views they agree to are all culture centred choices. For instance, various levels of responsiveness, understanding, familiarity, and touch with people, products in most cases, and particular brands may give rise to differential attitudes toward the same products. Cultural differences affect consumer absorption of culture which, in turn, influences the acceptance of homogenized products. For this reason, where a product is culturally harmonizing with the society, it is expected to be more appropriate for standardization".*
- *"My experience tells me that human beings do not and will never change their culture to fit the product or service."*
- *"In all the countries that we operate culture prescribes the marketing strategy that we adopt."*

The second cluster of responses indirectly referred to the likelihood that a marketing strategy may not alter the culture as such, but may instead introduce some changes in behaviours. For instance, behaviours pertaining to the needs and preferences of the consumer. This in succession will be kept alive through culture as indicated below:

- *"Marketing to give priority to the needs and preferences of the Consumer does not mean making the effort to change the culture of the consumer, but skilful marketing occasionally has a significant impact on cultures. Levi's jeans in the 1990's were seen as the icon of American culture. However, I do not think that the aim of their marketing was to change American culture. Levi's marketing was so skilful and expert that in due course it brought a cultural change in the American society. The task of all marketing I strongly believe is to become accustomed to the specific culture existing in a country. However, there may be times that marketing is bound to shape culture."*

The feedback of respondents' indicate that any marketing strategy is supposed to fit or align with the local culture. This will ensure that the needs and preferences of the intended market are satisfied. However, it takes time for the objectives of the marketing strategy to be accomplished. Nonetheless, if implementing marketing programs produce positive change supportive of the product offered, then that policy is worth pursuing. Also, if it is possible for a marketing practitioner to successfully design a reasonably homogenized strategy that mirrors the different cultures within the global marketplace, then the objectives of marketing globally would be accomplished in a cost-effective way. We formulate the following three propositions in response to the above reflection:

P₃: A marketing strategy has the potential to alter substantially the culture of the targeted market.

- P₄: Marketing practitioners have the ability to create a reasonably homogenized and cross-cultural marketing program that can be successfully applied to many cultures across the business world.
- P₅: The greater the cultural fit of the product across different countries, the higher the extent of standardization.

5.3 Marketing Strategy Localization

The responses under this thematic area were unanimous in relation to whether cultural customization and localization should take place. However, the precise degree to which this should be carried out varies. The responses did not reveal or give a definitive answer regarding the extent to which localization should be implemented in a company. This is due to the fact that there is a lack of a blueprint which will act as a framework for the localization of any marketing strategy as this will vary according to the particular market. This was illustrated by the following statements of the respondents:

- *“It’s essentially of great value. But as a matter of caution, not every aspect of the marketing mix should be customized or adapted”.*
- *“My opinion is, make culture a centre stage and adapt the marketing strategy according to the cultural realities that prevail where the business is being operated”.*
- *“A wide range of similarities abound across the different cultures in the marketplace.”*
- *“I think it is up to every marketing practitioner to identify synergies by tying all the different countries together, as if they were one”.*

Regardless of the differing degrees of significance assigned to the task of localizing a marketing strategy and divergence in its implementation respondents suggest that taking the local situation into consideration and modelling the marketing strategy to match it, is critical and necessary in global marketing. The following statements attest to this:

- *“Naturally, that is extremely necessary. We describe ourselves as globally local company. Being and always becoming a global company we desire to be incredibly local in our attitude towards different markets. Yah, it’s critically valuable.”*
- *“Adaptation is always relevant at all times, everywhere in this single planet of ours. It will be not out of place if I insist that localization of the marketing strategy is the only right thing to do at all time, and everywhere in the marketplace. Using the same TV ads and believing it would generate cash flows everywhere is a lie. That cannot be, cultures are not the same. Identical or similar commercial can only be offensive and insulting in one cultural area but surprisingly awfully charming in another cultural setting.”*

These responses reflect that a certain amount of adaptation or localization is needed to make a marketing strategy relevant and successful. What is not so clear is the precise marketing strategy aspect to customize to local desirability and benefit. Furthermore, it is also not clear as to the scope or degree this adaptation should take. It is a dynamic process. Besides, the scope and degree of adaptation is exclusive to each market anchored on the differences that exist. The following proposition can be formulated:

- P₆: There is a need for every marketing practitioner to adapt or localize the marketing strategy to a certain degree that is considered appropriate.

5.4 Practicality of Adopting a Localized Marketing Strategy

In finding out what is appropriate whether to follow a standardized or localized marketing strategy, respondents stated that the cost involved in implementing a localized strategy should be the number one appraisal factor. It was pointed out that if the benefits of implementing a localized strategy were more than the costs in accomplishing such benefits, then the decision to localize would be the best thing to do. The following are verbatim responses:

- *“Determine when the advantages and worth to be derived from implementing a strategy of localization offsets the marginal costs, if not decide on the least possible cost which is more often than not standardization.”*
- *“I think that the choice of an adaptation strategy will greatly be influenced by the size of the market. If we forecast and see that a particular market is large enough to give a good reason for the cost invested in the customization process, we will surely choose to implement the localization strategy.”*
- *“If a company has adequate amount of money it would certainly go in for a localized strategy but the underlying problem is the scarcity of economic resources.”*
- *“It will all count on the particular market you wish to enter. Let’s assume that the target market is a homogenous one then a standardized approach would be a better and appropriate choice.”*
- *“When the marketer analyzes the overall situation and establishes that a standardized strategy would not achieve the objectives of the company, then it is clear enough to settle on a localized marketing strategy. But bear in mind that you will always be faced with challenging circumstances.”*

Looking at the various responses given by the respondents, it can be inferred that while a localized marketing strategy would be more meaningful to the target market, a standardized marketing strategy also will bring in some benefits without incurring extra cost of having to adapt. Therefore, if markets are ready to accommodate and to respond favourably to a standardized strategy, then marketers will need to adopt this approach since this is economically more meaningful. Marketing practitioners must go ahead to implement a standardized marketing strategy in so far as their market setting support it. A localized marketing strategy should go along to enhance value creation for consumers.

On the basis of the preceding discussion the following proposition emerges:

P₇: It is more economical and of greater value to adapt marketing strategies to suit local circumstances.

5.5 Standardization is not Supported by Culture

The respondents all agreed that culture usually demands that some adaptation be made to aspects of the marketing program. Accordingly, statements made by respondents corroborate the fact that in many instances culture may not allow the standardization of a worldwide marketing strategy.

- *“I perfectly do agree that cultural concerns may not allow complete standardization. We do not wish to slow down our business growth possibilities. For that matter, we always adapt the business to local tastes, local laws and local needs. And this is the kind of strategy we implement everywhere in the world.”*
- *“Precisely so, consumers differ greatly in their tastes and needs.”*
- *“Culture does rule out absolute homogenization, for example, a company implementing the same advertisement everywhere it operates without any modification. However, culture does not prevent you or bar the observance of the same idea.”*

The above responses show that culture may not tolerate or support a standardized worldwide marketing strategy. However, it is not clear to what degree culture may disallow full scale standardization. The extant literature survey has shown that if an international promotion and advertising campaign is localized (for example, the use of the local language), then a certain amount of localization has taken place (Onkvisit & Shaw 2009). For that matter, such a strategy may not be referred to as standardization. Marketing practitioners may decide to standardize some aspects of the marketing mix that are supported by the particular market. At the same time, they may also adapt other aspects of the marketing mix to reflect local business conditions and prevailing cultural realities. In view of this, it can be said that culture does not necessarily rule out the possibility of standardization. What culture may not support in the marketplace is hundred percent standardization of the marketing strategy.

A different set of information that came to light when seeking to verify whether indeed culture forbid marketing strategy standardization is reported below:

- *“I believe to some degree, may be about seventy percent, that culture does not support marketing strategy standardization. That notwithstanding, I find nothing bad or out of the way standardizing one’s marketing strategy in countries that show some cultural similarities. The only exceptional case will be diversified or dissimilar nature of locations. Here, culture surely will not welcome standardization.”*
- *“My answer is: not completely. It is reasonable to standardize some elements of the marketing mix, such as product. Cultures that possess common values synergies are workable.”*
- *“Not unavoidable. A global marketing strategy will be determined by the philosophy that a company embraces. For example, a company that embraces the societal marketing philosophy will have a different approach to marketing than a company that adopts the production concept.”*

Based on the ongoing discussion above, we can make a brief recapitulation that the culture of a country would allow some amount of standardization but not one hundred percent homogenization. Only those aspects of the marketing program which do not require any customization or differentiation should be standardized. Those aspects that must be somewhat customized and adjusted to align with the target’s market culture should be localized accordingly. The following proposition captures the meaning elicited from the above responses:

P₈: Culture to a greater extent does not support full-scale or complete standardization of the marketing strategy.

5.6 Adapting the Various Aspects of the Marketing Strategy

Adduced from the preceding section, a global marketing practitioner seeks to obtain the best possible results by utilizing a cost-effective marketing strategy. The marketer must make choices or decisions with regard to which aspects of the marketing strategy to homogenize and which to adapt. Direct answers based on the above thematic cluster have been recorded below:

- *“This is usually influenced by consumer needs and the prevailing conditions in the target market.”*
- *“The most important determining factor is consumer needs. This must be identified and then provide a solution to.”*
- *“It is important to discern and understand how to convey the plan to the firm’s target market.”*

- *“The marketing practitioner must have the skill to communicate the same message to diverse groups but in completely different ways based on the characteristics of groups.”*
- *“I think that in the long-run it is the market that establishes the measure and point of standardization, of course, based on their tolerance level.”*

It can be deduced from the above that the marketing practitioner has a task to find out and to understand the expectations, preferences, tastes and needs of the consumer or customer being served. The global marketer can then proceed from there to get information on the current marketing strategy and determine which aspects already support these needs. Subsequent to this, the appropriate and necessary customizations could be thoroughly made only in cases where aspects of the marketing program fail to align with the culture and the market as a whole.

The responses below, suggest which aspects of the marketing program that global marketing practitioners believe can either be standardized or adapted.

- *“In marketing, it is never prudent to standardize price. Product will always remain the same. But both promotion and distribution require always being adapted to suit local circumstances.”*
- *“There is a possibility to standardise the product, but not distribution or price. Standardizing promotion and distribution systems will also not be appropriate. These marketing mix elements always need to take account of the local market conditions.”*
- *“I believe that it is necessary to standardize the main product and adapt its packaging according to cultural requirements. The product is offered to meet the needs of consumers in the market. At the same time, the product also provides some benefits rooted on a global know-how, hence that could be the same. Promotion should always be adapted to meet local requirements. Pricing is another element of the marketing mix that should always be localized. It is not possible to have the same prices everywhere in the marketplace. This is because of the differences that exist in countries in terms of the level of economic development and standard of living. Therefore pricing should always be adapted to the local situation. In my opinion, distribution does not require country level adaptation, but it is appropriate to adapt on regional basis, such EU basis, emerging countries level as well as adaptation based on developing countries level.”*

Even though the above responses show clearly which aspects of the marketing program could best be adapted or homogenized, they have in no way provided any guidance as to how to go on with customization since this has to do with the conditions prevailing in the specific country and market. However, it is obvious that individual markets will apply different customization modes for any given strategic framework. This gives support to the reason as to why there are no fixed or predetermined ways to pattern marketing programs to fit markets. Thus, the researcher formulates the following proposition:

P₉: Three aspects of the marketing mix are frequently localized: distribution, promotion and price.

6. Discussions and Conclusion

The findings of the research show that culture acts as a significant guiding tool in the general formulation of a global marketing program (Cateora et al. 2011; Cateora et al. 2007; Moon & Park 2011; O’Hara-Devereaux et al. 1994). However, it was not clear as to whether or not the marketing strategy should be localized or standardized. Marketing practitioners should never be taken for granted or imagine that there are similarities of cultures from one country to another.

The global marketer is required to scrutinize carefully the targeted market so as to gain knowledge and understanding about what aspects of the marketing strategy need to be standardized to take advantage of economies of scale. At the same time, the marketer needs to be aware of the specific ingredients of the marketing mix and adapt to suit the needs and desires of customers and consumers (Logman 1997; Brei et al. 2011; Avora et al. 2008). It is critical for the international marketer to consider the local culture prevailing in every country and allowing this to shape the marketing strategy rather than expecting that the particular culture will harmonize with the strategy offered.

In general, answers from respondents recommend that any global marketing strategy need to be designed to align with the home culture so as to touch the hearts and minds of the customers and also to have the required outcome on the intended market. If a marketing director is able to design a somewhat homogenous and cross-cultural marketing strategy that is capable of being translated or have an equivalent in meaning in different cultural environments, then the objectives of international marketing would be realized in the most economical and effective manner.

The findings further alluded to the fact that while some degree of adaptation is required, the general methodology and attitude must be to homogenize as much as it is feasible but customize when circumstances so dictate, particularly if that is going to be in the best interest of customers. This conceptualization is coherent with the principle that by homogenizing the marketing activity across related international segments and distinguishing it across divergent segments, the global marketer has the propensity to garner the rewards of both customization and standardization (Tan & Sousa 2013; Baalbaki & Malhotra 1993).

The findings of this study have clearly demonstrated the connection between the culture and the decision of standardization and/or adaptation of the marketing strategy. Companies should take care regarding each culture when they decide to enter into new markets. As a matter of fact, it is impractical and unachievable that all products or goods of a company are consistent with every market throughout the world. Companies must adapt their products to the particular culture, habits or beliefs. Nevertheless, the price, promotion and distribution are generally easily tailored to a individual culture (Onkvisit & Shaw 2004; Douglas & Craige 1995). If the company has more knowledge of the foreign market, then the better it will be able to balance its adaptation or standardization. Ultimately, the more trustworthy it will have concerning the market.

7. Practical Implications

The implications of the research findings for marketing practitioners is for them to realize that global companies need to plan and manage their marketing strategies by taking the following points into account:

First, complete standardization is impracticable in marketing. However, standardization may succeed well for cost-based competition and it is most realistic in environments where marketing infrastructure is properly developed.

Second, localization is needed for companies seeking to establish closer relationships with customers.

Third, standardization is the most appropriate way to attain product leadership in international markets.

Fourth, a "Goldilocks strategy" should be embraced. That is, a marketing strategy should neither be too hawkish nor too dovish, but just right (Dionne 2009 para. 2). In this case, a company makes a decision to balance local strategies with standardization. This can be a robust method particularly if the company's products need some amount of customization with home preferences.

Furthermore, as this study was conducted in the Netherlands and therefore based on the behaviour and practical experience of companies operating in the Netherlands, professional marketers can utilize the findings of this research as a means of comparing their existing behaviour with the behaviours of comparable companies elsewhere. This investigation may help them to take corrective measures and thus bring about further developments of the strategies that currently are employed.

Lastly, marketing educators can make use of the findings to draw up plans and sponsor programs to increase intercultural encounters as well as enhance awareness, understanding, and sensitivity to different cultures. Practicing marketers can help students to recognize the added respect of their culture which emanates from a knowledge and understanding of other ways of life (Tan et al. 2013).

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