

CASE 15.1
INTERNATIONAL ADVERTISING:
STANDARDIZED, LOCALIZED, OR GLOBAL?

Instructor Notes

The purpose of this case is to first of all demonstrate difficulties in settling a debate related to the three concepts (standardization, localization, and globalization) when there are only vague definitions of the concepts. At the same time, it may not be easy either to clearly define such concepts. If you take a look at your definitions, you probably will find that your definitions of globalization and standardization (and perhaps localization) overlap and that you need to make the distinctions more clear-cut. This is what science is all about. This is also what empirical research is. Without operational definitions, measurement of a concept is difficult, and hypothesis testing is not possible.

1. The Marlboro cowboy is a legend. The image is so strong that it is not necessary for the copy of a Marlboro advertisement to say much. It is the image of the cowboy that carries virtually all the message. How should Marlboro advertise its brand in Indonesia? Also choose another country and explain whether Marlboro can use its standardized campaign or whether it will need to adopt a localized campaign, taking into consideration the legal requirements.

It should be obvious that cigarettes, as a highly controversial product, must conform to a host country's health standards and other legal requirements. Advertising standardization is possible in the case of the utilization of certain international media (e.g., international airlines' in-flight magazines).

If Marlboro's advertisements are to be localized, it is a good idea to consider whether the ethnic identity of an actor or spokesperson should be changed to Asian, Arab, or Latin, depending on the national market in question. Given the fact that the "cowboy" representation is unique to the U.S. culture, other representations may have to be used. On the one hand, a tailored safari suit and tie can serve as a symbol of career success. On the other hand, off-road vehicles (e.g., Land Rover, Jeep) will suggest the rugged, out-of-doors image.

Cigarette advertising in Indonesia can show neither cigarettes nor the act of smoking. However, celebrities or glamorous models can appear in cigarette advertisements.

2. Evaluate Nokia's "1,001 reasons" campaign. How should it be classified: standardized, localized, or global? Offer evidence to support the theoretical basis that you use for your critical evaluation.

3. Evaluate Peninsula's Portraits campaign. How should it be classified: standardized, localized, or global? Offer evidence to support the theoretical basis that you use for your critical evaluation.

4. Offer suggestions with regard to how the Nokia and Peninsula campaigns can be improved so as to achieve a global appeal.

The two cases (Peninsula and Nokia) are quite a contrast. Peninsula's budget is quite tiny when compared to that of Nokia. There are other differences. Peninsula's business is service, while Nokia offers tangible products. The hotel business may be less volatile with regard to disruptions introduced by new products. Nokia focuses on high technology, and its products will go through the product life cycles much more rapidly. Actually, Peninsula's products/services can remain unchanged for years--something that Nokia will never understand. Another problem of Nokia is that its products may not be introduced or available in the various parts of the world at the same rate or pace.

While both Peninsula and Nokia claim to utilize global ads, evidence appears to contradict such a claim. Of course, claims and evidence that are used must depend on the stated criteria. It is thus useful to set up a table listing all the relevant criteria and then to show how each ad satisfied (or did not satisfy) a specific criterion.

In the case of Peninsula, a case can be made that the campaign is basically an implementation of standardized advertising. After all, the focus is on American travelers (and British travelers to a lesser extent). Conceivably, each portrait may focus on a certain place where a particular Peninsula hotel is located. As such, each portrait alone may not convey the sense of being global. This is a violation of one of the global-ad criteria because it forces the audience to have to view all portraits in a series before global relevance becomes clear. While different parts of the world are included in the campaign, they are shown separately, resulting in a fragmented image rather than a global, integrated image. On the other hand, these portraits are visual, thus satisfying one criterion of global ads.

In the case of Nokia, there may be some elements of global advertising. A common theme, supposedly universal, is used. The campaign does not spell out "1001 reasons" and is thus not too verbal--leaving a viewer with an opportunity to conjure up an image derived from a photo in each ad. While the campaign recognizes from the outset that adaptations are necessary, it is debatable whether using different actors and different backgrounds for different parts of the world is indeed adaptation-ready. As a matter of fact, with all these adaptations, an argument can be made that these ads are nothing more than the planning of localized ads. With cell phones being a global product, coupled with the emphasis on a global market, Nokia could have designed a more global ad by incorporating the different locations and local actors into the same ad (similar to the UPS commercials that show a delivery person named Frank in the U.S. and his counterpart named Franco in Italy).

Finally, the four segmentation criteria may be applicable since they will show whether standardization or localization may be desirable.