Standardized International Advertising: Some Research Issues and Implications

For almost four decades, international marketers, advertising agencies, and academicians have been debating the applicability of standardized international advertising. This paper examines recent evidence that deals with this strategy in an indirect manner. It discusses why the research approaches that have been utilized so far have made it difficult to test the validity of the concept of standardization. The article emphasizes the need to obtain direct and conclusive evidence to establish a cause-and-effect relationship. Toward this end, the paper focuses on the scientific framework and offers some research recommendations concerning the measurement process and hypothesis testing.

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The issue of standardization deals with whether each element (especially advertising) of the 4Ps of marketing should be standardized across national markets.

BACKGROUND: A THREE-DECADE-OLD DEBATE
The advertising standardization idea was probably first brought up in print by Elinder (1961). More than two decades later, Levitt (1983) brought the concept back to the forefront—under a new name (i.e., globalization). This school of thought holds that media, technology, travel, and education have homogenized consumer tastes and that consumer differences are minor and superficial.

The proponents of the adaptation strategy have countered by stating that consumer differences may actually have been widening. Also, shared desires do not necessarily result in the manifestation of identical behavior.

The third school of thought offers a compromise. It states that the appropriateness of standardization is situation-specific and that the type of product, consumer characteristics, and environmental factors must be taken into account (Jain, 1989; Onkvisit and Shaw, 1994; Cavusgil, Zou, and Naidu, 1993).

ANECDOTES AS EVIDENCE: CONVENIENT BUT SUPERFICIAL
Surprisingly, many scholars who are involved in this debate have used anecdotes to buttress their point of view. Anecdotes are highly subjective and woefully inadequate to prove a hypothesis. For example, Pepsi is often used to illustrate a successful application of the standardization strategy. Yet one can just as easily cite Pepsi’s misfortune (e.g., its associations with Michael Jackson and Madonna).

Arguments should be grounded in fact rather than emotion. Isolated incidents, without proper control mechanisms, are highly suspect and can be easily twisted. It is thus patently unreasonable to merely cite a particular company's campaign as an example of the failure or success of a standardized tactic.

EMPIRICAL DATA: INDIRECT EVIDENCE
At present, the available empirical data, although plentiful, deal with the ineffectiveness of standardization only in an indirect manner. The data are primarily concerned with showing how national markets differ in some ways.

Traditionally, scholarly works have focused on how culture influences behavior and advertising (see Table 1). Hofstede’s (1983) study of 50 countries (in terms of individualism, power distance, uncertainty avoidance, and masculinity) has been widely acknowledged. Hall (1976) has classified countries as either high-context or low-context cultures, depending on whether the context (nonverbal part of the message) is a significant part of the communication process. According to William Wells, formerly of the DDB Needham Worldwide advertising agency, the illustrated lecture adver-
TABLE 1
Empirical Data: Journal of Advertising Research

<table>
<thead>
<tr>
<th>Authors</th>
<th>Findings</th>
</tr>
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<tbody>
<tr>
<td>Al-Makaty et al.</td>
<td>Three groups of Saudi males have different views of the effect of TV advertising on cultural modernization and economic development.</td>
</tr>
<tr>
<td>Cheng and Schweitzer</td>
<td>U.S. commercials tend to use both symbolic and utilitarian values; Chinese commercials use symbolic values more often; results are product specific.</td>
</tr>
<tr>
<td>Keillor, Parker, and Schaefer</td>
<td>Mexican youths are receptive to various information sources (in particular, parents and promotional elements) across a wide spectrum of products; specialized advertising strategy is advisable.</td>
</tr>
<tr>
<td>Wiles, Wiles, and Tjernlund</td>
<td>There is a uniform set of values transmitted in magazine advertising across the two cultures; there are similarities and differences between the values conveyed in ads.</td>
</tr>
<tr>
<td>Roslow and Nicholls</td>
<td>Hispanic viewers are more persuaded when exposed to commercials in Spanish, embedded in Spanish programs.</td>
</tr>
<tr>
<td>Calliat and Mueller</td>
<td>British and American consumers are exposed to distinct styles of commercial messages based on different cultural values.</td>
</tr>
</tbody>
</table>

dvertising approach is appropriate for such low-context cultures as the United States, but the drama advertising approach is suitable for such high-context cultures as Japan (Marketing News, 1987).

One group of researchers has focused on corporate responses by investigating whether multinational firms prefer to standardize or localize their campaigns. According to one study, although global integration applies to both standardization and adaptation, coordination is probably more difficult in adaptive situations (Gould, Lerman, and Green, 1999). Another study found that most of the firms employed the localized approach (Kanzo, 1992). One problem with this kind of evidence is that managers may not have a clear definition of standardization and that their responses may represent their desire to protect their own self interests. In any case, the data do not address the issue of whether a certain advertising approach is more effective.

Another type of indirect evidence focuses on consumers’ characteristics. If consumers across countries are indeed homogeneous, it is no longer necessary to question whether standardization should be used. A review of these studies has indicated that consumers’ demographics and behavioral responses vary greatly across countries (Onkvisit and Shaw, 1987). One recent study found heterogeneity in response “to be highly significant both within and among countries” (Hofstede, Steenkamp, and Wedel, 1999).

Several recent studies have shifted the emphasis to another kind of indirect evidence—national advertising practices. The evidence is clear that certain advertising methods (e.g., use of symbols, music, comparative advertising, etc.) may be the norm in some countries but the exception in others. Once again, the evidence still does not directly show that consumers actually prefer the advertising method which they are accustomed to and that other different methods will not be as effective.

Tables 1 and 2 show the results of the studies that were recently published in the Journal of Advertising Research and the Journal of Advertising. Overall, the evidence is quite overwhelming that consumer/market homogeneity on a global basis does not exist. Yet the evidence only implies that standardized international advertising may not be effective.

EMPIRICAL DATA: DIRECT EVIDENCE

The published data that focus directly on the effectiveness of international advertising campaigns are rare. Whirlpool, for example, did not elaborate the “ground rules” that were used to evaluate its pan-European campaign (The Wall Street Journal, 1992). Even when the data exist, they are proprietary in nature. As in the case of McCullough (1996), he discussed how his employer (IBM) was able to effectively implement the “subtitles” advertising campaign on a global basis. He also mentioned, without providing any details, that IBM has devised a system to measure the effectiveness of this international campaign. Because international marketers and their advertising agencies are understandably reluctant to disclose their trade secrets, it is virtually impossible for academicians to critically assess these advertising claims.

RESEARCH ISSUES AND IMPLICATIONS

This section of the paper focuses on how to conduct scientific research in the con-
TABLE 2
Empirical Data: Journal of Advertising

<table>
<thead>
<tr>
<th>Authors</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taylor, Miracle, and Wilson</td>
<td>Due to cultural differences, U.S. subjects respond more favorably to commercials with high information levels than do Korean subjects.</td>
</tr>
<tr>
<td>Albers-Miller and Gelb</td>
<td>The culture-reflecting quality of advertising is supported for 18 of 30 hypothesized relationships.</td>
</tr>
<tr>
<td>Zhang and Gelb</td>
<td>Chinese and U.S. subjects’ reactions to advertising appeals are more positive when an appeal matches the product-use condition (socially visible use vs. use in a private setting) than when the appeal does not match either the culture or the product-use condition.</td>
</tr>
<tr>
<td>Roth</td>
<td>Managers consider cultural and socioeconomic conditions in forming their international brand-image strategies, and these conditions moderate the market-share effects.</td>
</tr>
<tr>
<td>Taylor, Grubbs, and Haley</td>
<td>Four emic descriptors—la seduction, le spectacle, l’amour, and l’humour—characterize French advertising.</td>
</tr>
<tr>
<td>Duncan and Ramaprasad</td>
<td>Extent of standardization varies; advertising agency executives consider creative impact the most important and pressure (from time, client, etc.) the least important reason to use some form of standardized advertising.</td>
</tr>
<tr>
<td>Murray and Murray</td>
<td>Music plays a larger role in commercials run in the Dominican Republic than in those run in the U.S.</td>
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</table>

text of international advertising to establish a cause-and-effect relationship.

Definitions: Standardization, localization, and globalization

Standardization, localization, and globalization are related but distinct concepts. Unlike a standardized advertisement which has a domestic origin (i.e., designed for a specific country before being repeated elsewhere), a global advertisement is designed at the outset for multiple countries by considering both market differences and similarities.

Without proper definitions, confusion abounds on whether a certain campaign is standardized, localized, or globalized. Proponents of the standardization strategy have been either extremely precise or extremely vague. As an example, Levitt (1983) is admirably exact: “a successful global marketing strategy consists of having a common brand name, packaging and communications.” But this very narrow definition, along with its optimistic claims, needlessly allows the proponents to be easily discredited because there is an abundance of marketing instances which invalidate the tenets of standardization.

In contrast, some other proponents have gone to the other extreme by claiming that a modified advertisement is still standardized as long as the central theme is maintained. With this kind of ambiguity, coupled with the fact that standardization and localization may differ in degree rather than in kind, it is unclear when an advertisement, with some degree of modification, ceases to be a standardized advertisement and becomes localized instead.

At present, after almost 40 years, only vague definitions of standardization, localization, and globalization have been offered. Without the operational definitions which are precise and substantive, it will preclude a systematic and scientific investigation of the validity of standardization.

Criterion variable: Advertising effectiveness

To determine whether an advertisement is effective, it is critical to make clear what constitutes effectiveness. The measurement of advertising effectiveness is a controversial subject of its own.

Ideally, sales volume should be used as a criterion of effectiveness. Unfortunately, this criterion has a great deal of “noise” because there are many variables other than “advertising appeal and message” that can affect sales. The confounding factors include: economic conditions, advertising budget, campaign execution, pricing strategies (of the advertiser as well as of competitors), competitors’ promotional campaigns, reseller support, product quality, etc. In addition, it is risky to spend months to observe sales results only to find too late that the campaign has been ineffective.

Marketers and researchers may have to use some other criteria to serve as reasonable indicators of advertising effectiveness. The indirect criteria commonly used include: favorable attitude, attitude change, comprehension, recall, persuasiveness, and purchase intent. While these factors may or may not be related to subsequent sales, they at least can be measured in a more timely manner and should allow for any necessary modifica-
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tions to the advertising message. Certainly, researchers must explicitly state the criteria to be used as proxies for standardization effectiveness.

The cause-and-effect framework
It is fitting to set up an experiment to examine the cause and its effect. It is universally accepted that three types of evidence are needed in order to infer a causal relationship: associative variation, sequence of events, and absence of other possible causal factors. To prove that standardization is a causal factor and that marketing ineffectiveness is the result, all of these requirements must be met.

Regarding the first type of evidence (associative variation), it is necessary to show that there is an association between standardization and a particular criterion of marketing effectiveness. Thus, we may expect that, compared to standardization, a localized campaign should affect local consumers' attitudes (or their purchase intention or actual purchases) more favorably.

Concerning the second requirement of time order of the occurrence of variables, if a localized campaign is intended to boost consumers' favorable attitude, the campaign must be introduced before the favorable attitude is later observed.

While it is difficult but possible to design an experiment to manipulate the time sequence of the two variables and determine whether they vary together, the last requirement (elimination of other possible causal factors) is much more problematic. It is not enough to introduce a standardized campaign and to conclude that the sales decline that follows is a result of the campaign. There may be other factors (e.g., competitors' prices) which may have adversely affected the sales volume. Or the sales decline is merely a random fluctuation.

To satisfy the last requirement and eliminate the confounding factors, it is customary to randomly assign subjects to experimental and control groups to make the two groups equal in all aspects—except for the experimental variable (standardization/localization, in this case). Unfortunately, because national markets are naturally not equivalent and because respondents are automatically preassigned to each group by nationality, studies that compare various national groups of consumers do not lend themselves to an experimental design. Therefore, if one national group prefers a particular standardized advertisement more than another national group does, it may not be possible to assess whether the difference is due to the advertisement itself, nationality, or other confounding factors such as demographic and psychographic characteristics.

One way to overcome the above problem is not to use "country" as a unit of analysis. Instead of exposing two national groups to the same advertisement to detect group differences, two different advertisements—one that is supposedly a standardized advertisement and another which is localized—can be used with a single national group to determine the preferred version. To control for the effect of the sequence of the advertisements, the order of the advertisements, when shown to subjects, should be alternated. The use of a single group should furthermore minimize research costs.

On the other hand, two comparison groups may be contrasted instead. In this case, if the subjects are from the same country and are randomly assigned to the experimental and control groups, the order of the advertisements is not an issue. Each group simply gets a specific but different advertisement.

One complication has to do with the advertisements being tested. It is exceedingly difficult to directly prove the superiority or inferiority of standardization by comparing a supposedly standardized advertisement to a localized one. Some standardized advertisements are going to be effective, while others are not. As such, a poor standardized campaign cannot be expected to outperform a good localized campaign. One possible solution is to make sure that the best standardized advertisement is compared to the best localized counterpart.

Controlling confounding factors:
Country equivalence
When doing research to detect similarities or differences, researchers have employed an extreme approach by comparing two or more countries that are quite different demographically, linguistically, culturally, and/or economically. For example, Zhang and Gelb (1996) have compared the advertising reactions of Chinese students and American students. Likewise, Murray and Murray (1996) have chosen to compare TV commercials run in the United States to those run in the Dominican Republic.

Arguably, this extreme approach is a matter of convenience and necessity (availability of data). Also, if the consumers of two very different countries react similarly to a particular standardized advertisement, the external validity of the
findings will be enhanced. The findings should hold in the case of more similar countries.

Nevertheless, studies have shown time and time again that, when very dissimilar countries were compared, respondent differences between or among countries were numerous and significant. While these findings have ruled out standardization on a global basis, they do not necessarily preclude its exploitation on a more limited or regional basis.

More research is required to determine whether regional homogeneity exists. Toward this end, one should compare the United States to Canada (and not to Mexico) because they are more equivalent in terms of economic development and language. Likewise, if the United States is compared to the United Kingdom rather than to France, the language can be controlled. If differences are still found among the United States, the United Kingdom, and Canada, in spite of their similar demographics, level of economic development, language, and heritage, it can then be concluded that standardization is unlikely to succeed in any other parts of the world.

In addition, by starting with similar countries before moving on to less and less similar countries, researchers will be able to conform to the compromise school of thought. This research approach will facilitate the identification of the market conditions and consumer characteristics which may interfere with the effective utilization of standardization.

CONCLUSION
Almost four decades have passed without providing much of the scientific and direct evidence to confirm or contradict the validity of the concept of international advertising standardization. This paper has raised a number of research issues and has shown that it is feasible to use rigorous research to test the hypothesis in question.

It should be noted that past studies have primarily focused on print advertisements and TV commercials. Future studies should consider radio commercials and billboards to enhance the external validity of the overall findings.

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REFERENCES


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