Standardization/Adaptation of Marketing Solutions in Companies Operating in Foreign Markets: An Integrated Approach

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Analysis of the change of marketing solutions in the process of internationalisation of a company reveals that the formation of marketing strategy in international markets is an evolutionary process and decisions made during that process differ based on the stage of international development of the company. As activities evolve, companies encounter a critical choice: to standardize or to adapt strategic marketing solutions. The use of competitive advantages acquired during unique multinational operations is the main success factor when forming a marketing strategy in the global market. Until now most research claimed that in order for a company to be successful in foreign markets, it should evaluate its marketing solutions and experience and to choose one strategy – standardization or adaptation – when pursuing its aims. But researchers still do not agree on the definitions of standardization/adaptation and analyse these strategies from different aspects of these strategies.

Research shows, that standardization of marketing solutions determines the use of the same marketing mix in the whole global market, but standardization is often of no use to companies because of differences of language, culture, consumer preferences, laws and rules, marketing infrastructure and competition structure in different countries. Complete adaptation of marketing solutions is also not useful because in such case companies cannot use advantages provided by scale economy, marketing knowledge and information acquired in other markets. But adaptation helps companies to evaluate and effectively use cultural differences of foreign markets as well as separate products, their properties and possibilities of usage.

The newest research shows that changes of the global market influenced by globalization changed also the solutions of international marketing: seeking for successful international performance companies do not have to choose one extremity, and companies that can combine several alternatives may satisfy needs of consumers of the global market and pursue their aims more effectively. The objective of the global marketing strategy is to find an optimal combination of integration and rationalisation of operations and solution systems in a global market.

Therefore this work tackles the polemic of standardization/adaptation of marketing solutions in the internationalization process of firms’ activities, analyses research on standardization and adaptation of marketing solutions/evaluates perspectives of integration of these strategies.

Introduction

Topicality. During the two latter decades dramatic changes in the marketing environment, influenced by the transforming business environment, changed theory and practice of international marketing. Development of communication technologies and global markets influenced transformation of global economy, markets and consumers: informed and active buyers, who know their needs and seek to satisfy them, intensified competitiveness of companies and influenced the change of marketing solutions.

Globalization provides opportunities for smaller countries, such as Lithuania, to become independent actors in the global market. Taking part in the global market, regarding changes of this market and seeking to stay competitive, Lithuanian companies also have to change their activity principles and marketing solutions and to react to the changing consumer needs in proper time.

The problem. When acting in foreign markets marketing activities have decisive influence in creation of competitive advantages and value of companies and in implementation of the strategy of companies’ activities, i.e. making strategic company activity decisions during international operation. Therefore when companies start their activities in foreign markets, they change their activity strategy and marketing solutions that are related to this strategy – with the development of the company, marketing solutions also evolve together with it into foreign markets.

As business internationalisation develops, companies encounter a critical choice of strategic marketing solutions – in the outcome of internationalisation traditionally two strategies of marketing solutions (standardization and adaptation) are presented as the main ones when seeking to enter foreign markets and to operate there.

But researchers still do not agree on the definitions of standardization/adaptation and analyse these strategies from different aspects and choose different constructs of analysis of these strategies; they do not assess the possibility to integrate the two approaches for pursuing objectives of companies in foreign markets. Therefore this work tackles the polemic of standardization/adaptation of
marketing solutions and evaluates perspectives of integration of these strategies.

The object of this article is standardization/adaptation of marketing solutions in the process of internationalisation of companies’ activities.

The aim of the article is: having performed theoretical analysis of standardization/adaptation of marketing solutions, to provide evaluation of perspectives of integration of these strategies.

Tasks of the article:
1. To reveal the evolution of marketing solutions in the process of internationalisation,
2. To analyse and summarize research on standardization/adaptation of marketing solutions and their outcomes,
3. To evaluate possibilities of integration of standardization and adaptation of marketing solutions.

Research methodology used is systematic and comparative analysis of scientific literature and analysis of secondary data.

Evolution of marketing in the process of internationalisation

Seeking to operate in international markets, companies adopt strategic solutions of activity development that depend on their experience and activities carried out in the local market. The main solutions of development of a company that is expanding its activities to an international level are the following: how to move strategies and skills that have been developed in the local market to other markets, and how to use the acquired competitive advantage and potential synergy effect of operations in many foreign markets. The formation of company development strategy in an international market is an evolutionary process and decisions made during that process differ based on the stage of international development of the company (Day, 1981): during the primary stage of development decisions are made about ways of entering foreign markets, methods of activity in foreign markets, and sequence of entering foreign markets; during a later stage of expansion into foreign markets companies decide upon development of the potential of the local market through product adaptation, development of product line and creation of new products to satisfy specific needs of the local market. As a result of these decisions activity operations performed in local markets are coordinated seeking for greater efficiency, and mechanisms are created for coordination of the general strategy and for integration in separate national markets. These decisions on expansion of the company into foreign markets enable to move the acquired knowledge, experience, and competitive advantages from one national market into another, and they influence the evolution of the strategy of activities of a company from a multinational to a regional or a global company (e.g., Johanson and Vahlue, 1977; Levitt, 1983; Douglas and Craig, 1989).

Strategic solutions of development of company activities depend upon the dynamism of international operations and evolution of the company in international market. Douglas and Craig (1989), based on classification of companies according to managerial orientation1, distinguish 3 stages of evolution of the company development strategy in international market: 1) primary entering into a foreign market, 2) development of local (national) market, 3) globalization2 (Fig. 1).

A company that operates in the local market and that does not plan to expand its activities concentrates all its activities on local consumers. Marketing solutions are created and developed with regard to the needs of local consumers, tendencies of economical development, and socio-cultural and technological changes that may influence the demand of products of the company in the local market. Simultaneously strategies of local competitors that may raise main threats to the company are evaluated closely. Companies that operate in the inner market are ethnocentric – they pay little or no attention to such changes as changes of lifestyle or market segments, bigger competitiveness, or more qualitative goods that take place in global markets (e.g., Onkvisit and Shaw, 1989; Douglas and Craig, 1989).

During the first stages of export the process of internationalisation is the outcome of adjustment of an expanding company under changing conditions and its environment and not the result of its special strategy. Such model of activities appears because of insufficient information and technical knowledge about international markets and activities in them. The main activities of the company remain in the inner market. The company sees foreign markets only as expanded local markets and does not make any effort to adapt products for local needs. The company does not perform any immediate analysis of the foreign market. The company that applies export strategy in its activities, identifying potential foreign markets and conditions for their occupation, uses secondary information.

In the beginning of international activities the main aim of a company is geographical expansion of activities seeking to assess foreign markets and their suitability for products of the company. In this stage the most attention is given to such markets where the company can supply its products with minimal adaptations. The essential principle of activities of a company in this stage is to develop the company’s activities abroad with the least possible input of marketing and manufacture. A company in the foreign market tries to use competitive advantage acquired in the local market and its main competencies of activities, and thus to expand scale economy in the international market (Fig. 2). Not having much experience and knowledge about foreign markets, the company concentrates on the

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1 Perlmutter (1969) distinguished 4 types of managerial orientation of companies: 1) ethnocentric orientation, when companies evaluate the national market as the most important one and seek to transfer solutions applied in this market into foreign markets; 2) polycentric orientation when enterprises evaluate each country of their activities as different markets where separate solutions of activity are needed for each of them; 3) regiocentric orientation when integrated strategies of activities are applied for separate regions of countries, and each of such regions is evaluated as one market; 4) geocentric orientation when enterprises apply one strategy to one global market.

2 Globalization is a process during which everyday experience becomes a standard in the whole world. Globalization is a process during which competitive structures of industry branches progressively change from multinational into global ones (The Encyclopedia Britannica).
product and acquired skills (e.g.: innovative and high-quality products, patented processes, etc.), that may be used in the international market. The company’s ethnocentric orientation persists; products are manufactured firstly for consumers of the local country and only later – for consumers from other countries.

![Diagram](image)

**Figure 1.** Evolution of marketing strategy (adapted and based on Douglas and Craig, 1989)

Having started its activities in several or more countries, a company seeks to find new ways for growth and development and thus further internationalises its activities. The situation in foreign markets differs substantially from the situation in the local market, and all foreign markets are different, so the company’s experience that has been gained during operation in the local market is not sufficient. When making strategic solutions local as well as foreign markets become equally important, so the company changes export strategy for strategy of activities, developed according to separate countries, i.e. the company adopts polycentric orientation.

![Graph](image)

**Figure 2.** Economy of Scale (Douglas and Craig, 1989)

A company does not strive to enter new markets all the time but seeks to develop its activities in those markets where it already operates. The main aim of this stage is to create a strategy that would help to create mass production economy in each country where the company operates, and the acquired competencies would stimulate growth of the local market. Based on researched performed by Teece (1982) and Wind & Douglas (1981), it may be stated that in this stage the most attention is given to the identification of possibilities of allotment of marketing expenses, common development of manufacture and allotment; bigger extra administration expenditure and expenses of unit manufacture are disintegrated through increased sales in separate countries of activities. The company receives profit also from acquired technological and market knowledge. Adopted solutions encompass product and strategy adaptations for strategy of activities, developed according to separate countries, i.e. the company adopts geocentric orientation.

In the last stage of internationalisation of activities of companies, with the change of the company’s inner factors and the influence of the outer environment the company’s orientation changes into a global one, i.e. attention is concentrated on increase of operation efficiency, development of the mechanism of activity coordination, and strategy integration in all countries of activities. The company creates marketing solutions and allocates resources with regard to needs of the global market. At the same time the company reject its national orientation, and countries where the company operates are assessed as
markets that are related to and dependent on each other that become one global market of the company, i.e. the company bases itself on geocentric orientation of activities. In this stage the company seeks to use the synergy that is received when operating globally and advantages of operations, acquired during multinational activities (Fig. 3).

![Figure 3. Synergy of international operations (Douglas and Craig, 1989)](image)

Such capital of the company as manufacturing technologies, managerial experience, and brand or image are used in many markets of the company, marketing solutions adapted to global operation strengthen the possibilities of scale economy of manufacture and logistics. The main solutions of a company in this stage is the increase of efficiency of operations with the aim to reach better coordination and rationalisation of operations in different countries and among different functional areas, creation of a global marketing strategy that encompasses the global vision of activities and integration of activities in different countries, assessing conditions and needs of each country.

The objective of the global marketing strategy is to find an optimal combination of integration and rationalisation of operations and solution systems in a global market. The use of competitive advantages acquired during unique multinational operations is the main success factor when forming a marketing strategy in the global market.

**Integration of standardization and adaptation of marketing solutions when companies operate in foreign markets**

With the development of business internationalisation, companies encounter a critical choice of strategic marketing solutions: as an outcome of internationalisation traditionally two strategies of international marketing (standardization and adaptation) are presented as the main ones when striving to enter foreign markets and operate there (e.g., Levitt, 1983; Douglas and Wind, 1987; Onkvisit and Shaw, 1987; Jain, 1989; Samiee and Roth, 1992; Szymanski et al., 1993; Cavusgil and Zou, 1994), thus creating confusion in research of marketing strategies in foreign markets. Later there was an attempt to define the concept of standardization clearly: Jain (1989) defined standardization of the marketing mix as one marketing mix for the whole global market, whereas Cavusgil and Zou assessed standardization of the marketing mix as a standardized allocation of resources between elements of the marketing mix in various markets of activities, later supplementing this definition of standardization by the concept of globalization and stating that standardization was “the extent to which a company globalises its marketing activities in various countries through standardization of elements of the marketing mix, concentration and coordination of marketing activities and integration of competitive actions in many markets” (2002). But there was no solid concept of standardization that would not raise polemic, therefore having analysed and evaluated conceptions and definitions of standardization presented by many researchers, Medina and Duffy (1998) presented another summarized definition of standardization, stating that standardization was “the process of development of standards (tangible and/or intangible attributes) of products intended for the country’s inner target market abroad the country and their effective adaptability in foreign markets” (1998). Having evaluated the presented definitions of standardization it may be stated that in general the perspective of standardization is based on homogenisation of markets and consumer behaviour and benefit provided by standardization.

A similar situation appeared when seeking to present the definition of adaptation: up till now most researchers use two terms – adaptation and adjustment – for the same process, stating that these are the antipodes of standardization of the marketing mix (Douglas and Wind, 1987; Szymanski et al., 1993). But there are scientists who think that adaptation and adjustment of the marketing mix are different strategies of the marketing mix (Medina and Duffy, 1998). Based on Medina and Duffy, adaptation is “obligatory modification of standards (tangible and/or intangible attributes) of products intended for the country’s inner target market with the aim to make the product suitable for conditions of the environment of foreign markets” (1998). Whereas the authors define adjustment as “independent/self-propelled modification of standards (tangible and/or intangible attributes) or products intended for the country’s inner target market with the aim to make the products economically and culturally suitable for consumers of foreign markets” (1998).

In order to reveal the polemic of research on standardization/adaptation better, this article will further discuss research performed on application of these
strategies for marketing solutions when companies operate in foreign markets, and their results.

**Perspectives of research on standardized marketing solutions.** Johansson (2000) defines standardized marketing strategy as marketing activities that are coordinated in many countries that generally integrate standardized products and services, identical product brands, synchronized product presentations in markets, alike or very similar advertisement messages, and coordinated sales campaigns that are carried out at the same time in several countries. Keegan and Green (2000) indicate that the strategy of standardization has the ability to combine other activities and strategies with universal same time in several countries. Keegan and Green (2000) coordinated sales campaigns that are carried out at the same time in several countries. Success of activities and strategies with universal marketing solutions that help to achieve global success of activities. Besides, scale economy of manufacture, allotment of resources, advantages provided by resources of the global market and the possibility to copy activities that have been carried out in one country successfully in other countries stimulate companies to operate in the global market (Yip, 1992; Johansson, 2000).

Advocates of standardization state that companies that have made use of advantages provided by the global market may more easily satisfy assimilated needs of consumers of different countries, use global sales networks, move marketing solutions from one country to another and use advantages acquired by the company (e.g., Levitt, 1983; Ohmae, 1989, Douglas and Craig, 1989; Yip, Loewe and Yoshino, 1988).

Research performed by Ohmae (1989) reveals that consumer needs assimilate, therefore companies should not be stopped by seemingly different cultural, economical, and political systems in different countries. Companies have to seek for possibilities to rationalise activity operation on the scale and to assess the whole world as one global market. In their research Prahalad and Bettis (1986) emphasize the increasing dependence of markets of independent countries, so companies that seek to become globally effective competitors have to transcend national fragmentalities and expand activity operations in different countries based on advantages provided by standardization.

Based on research by Dahriinger and Muhlberger (1991), advantages provided by standardized strategy and business globalization are concentration and coordination of business activities, where concentration means centralized decision-making, usually combined with standardization of high-level business decisions. Companies that operate in the global market acquire a competitive advantage that is difficult to copy, may decrease general and logistics expenditure, standardizing such activities as marketing solutions, services to consumers, creation and use of information technologies, and procedures of other activities in all markets of activities (e.g., Segal-Horn, 1996; Keegan and Green, 2000).

Based on Kogut (1989), the choice of standardized strategy provides the company with two possibilities – to grow and to remain in the market. This researcher thinks that companies that do not make use of possibilities of the global market risk to loose their local markets as well – stronger and more competitive global competitors may drive them out of these markets. Lamont (1996) states that a standardized strategy stimulates companies to search for new markets, new segments, and new niches, to create new purchase and sales and marketing solutions, because when seeking to implement this strategy successfully it is necessary to organize the company’s activities on the global scale, to analyse local and foreign markets, to find new partners, to buy services that supplement activities, and to control expenditure for transactions.

Summarising the research of the scientists, who support standardized business decisions, it may be stated that such strategy is useful because of several reasons:

1. big scale economy is received in activities of big additional value, especially in research, development, manufacture, and marketing;
2. a consistent image of the company/brand is presented in many countries at the same time, which is very important when assessing the increasing consumer mobility;
3. management problems are decreased by better coordination and control of international operations.

Referring to competitive advantage, Zou and Cavusgil (2002) summarized the research on standardized marketing strategy and grouped it into three approaches (see Table 1).

### Major perspectives of marketing standardization strategy (Zou and Cavusgil, 2002)

<table>
<thead>
<tr>
<th>Perspective</th>
<th>Basic Logic</th>
<th>Key Variables</th>
<th>Antecedents</th>
<th>Effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standardization perspective</td>
<td>Scale Economies</td>
<td>Product standardization</td>
<td>Convergence of cultures</td>
<td>Efficiency</td>
</tr>
<tr>
<td></td>
<td>Low-cost Simplification</td>
<td>Promotion standardization</td>
<td>Similarity of demand</td>
<td>Consistency</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Standardized channel structure</td>
<td>Low trade barriers</td>
<td>Transfer of ideas</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Standardized price</td>
<td>Technological advances</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>Orientation of firm</td>
<td></td>
</tr>
<tr>
<td>Configuration-coordination perspective</td>
<td>Comparative advantage</td>
<td>Concentration of value-chain activities</td>
<td>Low trade barriers</td>
<td>Efficiency</td>
</tr>
<tr>
<td></td>
<td>Interdependency</td>
<td>Coordination of value-chain activities</td>
<td>Technological advances</td>
<td>Synergies</td>
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<tr>
<td></td>
<td>Specialization</td>
<td></td>
<td>Orientation of firm international experience</td>
<td></td>
</tr>
<tr>
<td>Integration perspective</td>
<td>Cross-subsidization</td>
<td>Integration of competitive moves</td>
<td>Low trade barriers</td>
<td>Effectiveness in competition</td>
</tr>
<tr>
<td></td>
<td>Competitive dislocation</td>
<td>Global market participation</td>
<td>Orientation of firm international experience</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rationalization</td>
<td></td>
<td>Integrated markets</td>
<td>Competitive leverage</td>
</tr>
</tbody>
</table>
Based on this grouping, researchers, who support the attitude of standardization, state that a company may be defined as using the global marketing strategy if it standardizes its marketing programme in different markets (e.g., Levitt, 1983; Jain, 1989; Ohmae, 1989; Samiee and Roth, 1992; Cavusgil, Zou and Naidu, 1993; Johansson, 2000). According to supporters of this approach, the main competitive advantage of a company that is using the global marketing strategy is the possibility to produce high-quality products with small expenditure. The main advantage of using standardization in a company’s activities is scale economy of manufacture and marketing (Levitt, 1983), consistency that is matched up to consumers (e.g., Zou, Andrus and Norvell, 1997; Laroche et al., 2001), and possibility to use good ideas on the global scale (e.g., Ohmae, 1989).

Supporters of the configuration-coordination attitude of the standardization strategy state that with the help of such strategy a company may use the synergy that exists among markets of different countries and competitive advantages acquired in different countries (e.g., Porter, 1986; Craig and Douglas, 2000). Based on this attitude, proper configuration and specialisation of activities enable a company to use specific competitive advantages of the local market on the global scale through scale economy, scope of manufacture, and learning (e.g., Yip, 1992; Zou and Cavusgil, 1996). Therefore concentration of activities of the value chain executed in different countries (seeking for most efficient execution) helps the company to maximise efficiency of activities.

According to the integration attitude, the most important success factor of standardized marketing strategy is participation in all biggest markets of the world seeking to acquire competitive power and effective integration of the company’s competitive activities in all those markets. According to researchers, in global industries activities of a company in different markets are dependent on each other, so the company must be able to subsidize certain activities in one market by resources acquired in other markets and to react to actions of competitors in one market, realising the response in another markets (e.g., Ghoshal, 1993; Birkinshaw, Morrison and Huland, 1995; Zou and Cavusgil, 1996).

Researchers, who contradict the perspective of standardization (e.g., Shoham, 1995; Ruigrok et al., 1995; Craig et al., 1992), state that standardization and its ideology is overestimated. According to Svensson (2001), theoretically it is possible to create a unified marketing strategy for the global market, but in practice certain changes of marketing solutions are necessary, seeking to pursue global business successfully. In the best case a standardized marketing strategy may exist on the level of strategic decision-making, whereas operational and tactical solutions should be adjusted for needs of a certain market.

According to research of Douglas and Wind (1987), standardization of the marketing mix is possible only under certain conditions, such as existence of a global market segment, synergy determined by standardization, attainability of the infrastructure of communication and distribution that ensures the supply of the company’s products to the target market on the global scale. Besides, the standardization approach is oriented more towards the product and is not based on the orientation of consumers or competitors (e.g., Douglas and Wind, 1987), therefore this approach is considered to be short-lived and leading to failure (e.g., Cateora, 1993; Laughlin et al., 1994): a company that emphasizes the product’s costs may not assess the differing special needs of consumers in different countries and may become vulnerable with regard to competitors’ attacks in separate foreign markets (e.g., Cavusgil and Zou, 1994).

Standardization of the marketing mix is the subject of outer and inner impediments – inadequate reaction to such impediments may have negative influence on the company’s success in the international market (e.g., Cateora, 1993; Cavusgil and Zou, 1994). Incompatibility of the company’s existing global network of operations and standardization of the marketing mix that is being implemented may be assessed as an inner impediment: too speedy mastering of global standardization may determine disbalance of the created operations, financial and managerial losses (e.g., Douglas and Wind, 1987). Besides, standardization often encounters great resistance from local divisions of the company (e.g., Ohmae, 1989), and this may influence efficiency of the implementation of the company’s international strategy. The level of standardization should be related to the company’s international experience (e.g., Andrus and Norvell, 1990; Cavusgil et al., 1993; Douglas and Craig, 1989) and level of participation in international activities (e.g., Andrus and Norvell, 1990).

On the outside standardization is influenced by regulation rules of different markets and differences in marketing infrastructure (e.g., Zou and Cavusgil, 1996) – the standardization strategy may be not flexible enough to adapt to rules of different markets such as environmental protection requirements, product safety standards, and other local rules (e.g., Cavusgil et al., 1993; Wind, 1986). It is even more important that standardization is influenced by cultural differences and strategies of competitors: a standardized strategy may be applied only to markets that are culturally similar by actively reacting to actions of competitors (e.g., Cateora, 1993; Zou and Cavusgil, 1996).

Variety of approaches on adapted marketing solutions. Supporters of adaptation of marketing solutions state that, despite the increasing globalization, differences of separate countries when evaluating such dimensions as consumer needs, usage conditions, purchasing power, commercial infrastructure, culture and traditions, laws, and technological development are still very distinct, therefore a company’s marketing strategy should be adapted to them (e.g., Terpstra and Sarathy, 2000). Levitt (1960, p.56) states: “It is clear that a company should take actions that stimulate the demand. It should adapt itself according to market requirements, and this should be done sooner or later.” According to Daft (2000), business is not made in markets, business is created and implemented in societies, therefore it is necessary to understand the needs of all those societies and to take them into consideration when making and executing business decisions.

Researchers, who emphasize the necessity of adaptation, think that strategy standardization is a new marketing “direction” (myopia) with the aim to simplify
market reality as much as possible and to deny the conception of marketing (e.g., Wind, 1986; Douglas and Wind, 1987). According to Svensson (2001), global marketing is a managerial utopia, although strategies of global marketing may be successfully implemented on the global level. According to Dow (2005), the theory of global marketing may determine bankruptcy for most companies, because cultural and other market differences as well as separate products, their properties and usage possibilities may determine wrong marketing mix solutions of a company. Supporters of adaptation also state that the most important objective of a company is not minimisation of costs through standardisation, but long-term profitability, achieved by satisfying various consumer needs in different countries and thus ensuring of bigger sales (e.g., Onkvisit and Shaw, 1990; Rosen, 1990; Whitelock and Pimblett, 1997).

Champy (1997) indicates that companies should assess cultural and ethnical differences of markets, according to Elimimian (1997), global marketing solutions are made also under the influence of a certain culture, therefore sensitivity towards cultural differences should be evaluated when making decisions for the global market. Other sources (e.g., Douglas and Wind, 1987; Onkvisit and Shaw, 1990; Tersptra and Sarathy, 2000) indicate that market characteristics, conditions of the industry branch, marketing institutions and laws determine the necessity to adapt solutions of the company’s activities to conditions and needs of the local market. Supporters of the adaptation approach indicate that only several markets may be evaluated as being completely the same, therefore adaptation with regard to national needs is necessary in order to attract consumers and to maximise sales (e.g., Wills, Samli and Jacobs, 1991).

Summarising the research of Wind (1986), it is possible to identify three reasons why companies should not strive for the standardization strategy and globalization of activities:

1) standardized products are too complicated for some markets and too simple for other markets, 
2) the striving for global activities may harm existing networks of activities of the company, 
3) standardization suppresses entrepreneurship.

Summarising research on international marketing strategy adaptation, Dow (2005) grouped such research into three groups (Table 2).

According to Dow (2005), in the multitude of research on adaptation firstly scientists, who analysed the level of adaptation of international marketing solutions of a company according to interaction of the outer environment and the company’s characteristics, are distinguished (the 1st research group). This research group refers to the classical paradigm of contingency and describes the company’s characteristics as the company’s size and its experience in international market, and attributes cultural distance between markets, the nature of competitiveness in the market and stages of the product life-cycle to the outer environment. But this research does not analyse results of companies’ activities – i.e. factors that should influence the best results of companies in international markets are not evaluated.

The second group that researches adaptation in international marketing represents an opposite position to the one analysed earlier and evaluates only the interaction of the level of international marketing strategy adaptation and results of activities, but does not analyse the influence of factors of the company and the environment. Meanwhile the third group of research on adaptation seeks to evaluate characteristics of a company as well as its environment, results of activities as well as their interaction with the level of adaptation as a company internationalizes its activities, but the complexity of such research and their small quantity still does not enable to assess the received results properly.

But the newest research of activities of companies in foreign markets reveal that standardization/adaptation solutions of marketing strategy of a company should be dependent on the situation in the market, the chosen level of standardization/adaptation of the company’s marketing strategy should be evaluated based on the company’s size, achieved results, and experience in the international market (e.g., Onkvisit and Shaw, 1987; Jain, 1989; Cavusgil et al., 1993; Cavusgil and Zou, 1994). According to Douglas and Wind (1987), Walters and Toyne (1989), standardization and adaptation should be evaluated as two extremities of one environment, and the most important decision of a company is to foresee which strategic elements should or must be standardized or adapted and to what extent, under what conditions and when.

Conception of glocalisation and adaptability in the context of internationalisation transformation

According to the newest research, Bartlett and Ghoshal (1989) indicate that the increasing complexity, versatility and dynamism of the environment of international business determine success of companies that operate in foreign markets and that are able to combine trans-national organisation with multidimensional abilities. Referring to
this approach, some researchers suggest using the perspective of contingency in the polemic of standardization and adaptation. According to this perspective, companies that operate in foreign markets should have eclectic abilities to seek integration, sensitivity and learning on the global scale at the same time, and standardization and adaptations should not be evaluated as approaches that cannot be coordinated (e.g., Jain, 1989; Cavusgil et al., 1993).

According to the theory of contingency, a company’s decision to standardize or adapt its marketing strategy depends upon the situation and has to be determined by analysis of the influence of contingent factors for the company’s activities, performed in the specific market. Besides, the level of standardization/adaptation of the marketing strategy should be chosen assessing its influence for the company’s results in international market (e.g., Onkvisit and Shaw, 1987; Jain, 1989; Cavusgil and Zou, 1994).

In 2001 Svensson suggested using an approach that joined standardization and adaptation, i.e. to evaluate a company’s development and marketing solutions “glocally”. According to the researcher, the concept of “glocal strategy” encompasses aspects of the strategy of local, international, multinational and global marketing (see Table 3).

The concept of glocal marketing (Svensson, 2001)

<table>
<thead>
<tr>
<th>Field of Marketing Activities</th>
<th>Global marketing</th>
<th>Local/national</th>
<th>International, and multinational marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational</td>
<td>No/Yes</td>
<td>Yes</td>
<td>Yes/No</td>
</tr>
<tr>
<td>Tactical</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Strategic</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes/No</td>
</tr>
</tbody>
</table>

Table 3

The objective of local and native marketing is to maximise adaptation, adjustment to conditions, differences and other characteristics of the local market. Local and native marketing strategy acknowledges local market aspects as especially important for marketing solutions.

International strategy expands local and national marketing strategies, applying in foreign markets those marketing solutions of the national/local market that are suitable also for foreign markets, whereas the nature of multinational marketing strategy is to choose some markets from many markets where it can apply marketing solutions that have already been implemented. International and multinational marketing strategies acknowledge the necessity to adjust some marketing solutions to the needs of foreign markets, but their main aim is global development, i.e. companies that follow these strategies firstly seek to maximise standardization, similarities, homogenisation, concentration and synchronisation of marketing solutions, and integration, but they also acknowledge the possibility to adapt those marketing solutions that are essential for successful operation of the company in foreign markets. Whereas the aim of the global marketing strategy is exclusively to standardize marketing solutions at the maximum, to concentrate, synchronise and integrate marketing activities in all markets of the world, i.e. the outcome of the global marketing strategy is the same marketing solutions in the whole global market, while the result of international and multinational marketing strategies is marketing solutions that are the same in certain situations and meanwhile in other situations adaptation of marketing solutions with regard to the unique market situation and characteristics is chosen.

According to Svensson (2002), despite the very wide usage of the concept of global marketing strategy, very often actions typical of international and multinational marketing are analysed instead of global solutions. Seeking to avoid ambiguity the conception of “glocal marketing” was introduced – it joins local and global aspects of marketing strategy. This strategy differs from the global marketing strategy because it acknowledges the importance of local and national factors for marketing solutions, besides, it encompasses also typical activities of international and multinational marketing.

Glocal marketing encompasses a wider area of the company’s marketing solutions than global marketing (Fig. 4), because glocal marketing solutions may be made in operational as well as tactical levels (e.g.: decisions of support or allocation), whereas the exclusive area of global marketing is the strategic level of decision-making, because in the decisions of tactical and operational levels the aspects of adaptation, differences, flexibility, etc. are evaluated.
When analysing the newest research of marketing strategies when companies operate in foreign markets, it may be seen that more and more researchers think that global marketing solutions cannot be made in the strategic level or these decisions/solutions should be abstract enough since a changed competitive environment determines a smaller use of standardization and a bigger need to adapt to each market situation. A company’s marketing strategy should be coordinated in all levels of decision-making, so strategic decisions of global marketing should not contradict tactical and operational decisions and actions of the company.

Having evaluated the research performed earlier, it may be stated that standardization of global marketing solutions determines the use of the same marketing mix in the whole global market, but global standardization often is of no use to companies because of differences of language, culture, consumer preferences, laws and rules, marketing infrastructure and competition structure in different countries. Complete adaptation of marketing solutions is also not useful because in such cases companies cannot use advantages provided by scale economy, marketing knowledge and information acquired in other markets. Therefore, when making decisions about marketing activities when operating in foreign markets, a company should evaluate advantages and drawbacks of standardization and adaptation and should seek to integrate those two approaches in its activities.

Building on this theoretical study, our further research will explore factors, which determine the degree of standardization/adaptation of marketing solutions in foreign markets analyzing companies with different characteristics and possibilities to create a model, which describe transformation of marketing solutions in the context of companies’ internationalization process.

Conclusions
1. Analysis of the change of marketing solutions in the process of internationalisation of a company reveals that the formation of marketing strategy in international markets is an evolutionary process. As activities evolve, companies encounter a critical choice: to standardize or to adapt strategic marketing solutions.
2. Standardization of marketing solutions determines the use of the same marketing mix in the whole global market, but standardization is often of no use to companies because of differences of language, culture, consumer preferences, laws and rules, marketing infrastructure and competition structure in different countries.
3. Complete adaptation of marketing solutions is also not useful because in such case companies cannot use advantages provided by scale economy, marketing knowledge and information acquired in other markets. But adaptation helps companies to evaluate and effectively use cultural differences of foreign markets as well as separate products, their properties and possibilities of usage.
4. The newest research of activities of companies in foreign markets reveals that companies that operate in foreign markets must have eclectic abilities and, at the same time, strive for integration, sensitivity and learning on a global scale. At the same time standardization and adaptation should not be assessed as opposite approaches, and the main decision of a company that operates in foreign markets should be to determine the level of standardization/adaptation of marketing solutions that should or must be accomplished.
5. Seeking for successful performance in foreign markets, Lithuanian companies should also assess the possibility to integrate standardization and adaptation strategies when applying marketing solutions and in such way to seek for efficient satisfaction of the needs of the global market and for implementation of the set objectives. Unfortunately, there is a lack of sufficient and validate research in transition economies, such as Lithuania, analyzing companies that operate in foreign markets and their marketing solutions in the terms of standardization/adaptation perspectives. The lack of such research leads to the problem of determination of standardization and adaptation perspectives of companies in transition economies.
6. Seeking to find an answer which of perspectives: adaptation, standardization or integration of adaptation/standardization of marketing solutions is more useful for implementation of the set objectives in foreign markets, exhaustive empirical research analyzing marketing solutions in foreign markets and the efficiency of activities of companies with different characteristics (large/small, acting in the market for a long term/with no experience companies, etc.) are needed. Further research work in this direction should allow to identify factors which determine the degree of standardization/adaptation of marketing solutions in foreign markets and to prepare the model of marketing solutions transformation in the context of companies’ internationalization process.

References