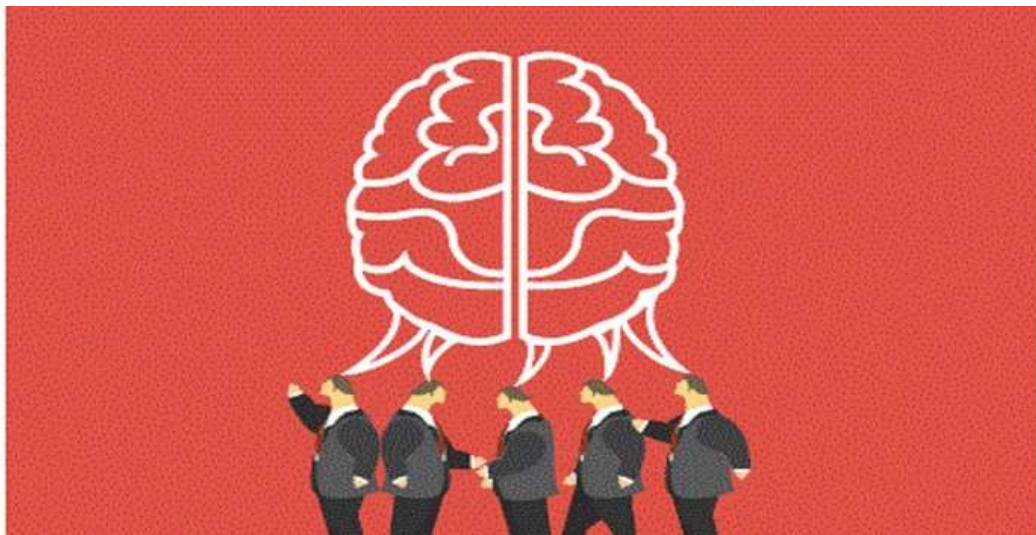


Glocalisation- Global + Local Approach of Brands

The art of balancing the universal characteristics of a brand with the local ecosystem in which it exists is called glocalization



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Glocalisation is basic to an organization's capability of entering diverse markets across the globe while ensuring each local geography's needs are met. Glocalization, though not new, is not something all companies with global ambitions have mastered. Companies need to excel at leveraging local people (internal and external), customizing processes (finding the sweet spot between marketing and procurement), and adopting global technology (brand consistency across different languages using modern technology) to make smart glocalization strategies.

Companies are Going for That Approach

Companies which have mastered glocalization are numerous. Starbucks, Lays, Pepsico, KFC, McDonald's Hindustan Unilever Limited, Ford, Gillette, Subway and so many more are great examples. Glocalization Mantra: Global template; local adaptations. McDonald's beef burger elsewhere in the world gives way to a McAloo Tikki vegetarian burger in India. Ford builds higher ground clearance trucks for Indian roads. KFC makes spicier chicken for the Indian palette, Starbucks makes milkier coffee for the Indian erstwhile chai-drinker, and Gillette makes longer lasting blades for value-conscious India. Taco Bell, the quintessential Mexican fast food brand introduced 'kotito' (fusion of koti and burrito) – Indian bread with burrito filling inside (Indian look on the outside and international punch on the inside)! Successful glocalization! On the other hand, Oreo biscuits when first launched in India “just as it was in the US” failed. Indian consumers found the taste too bitter. An unsuccessful attempt at imposing a global, one-size-fits-all framework.

The Thought Process

These companies' success at glocalization stems from being highly sensitive to local tastes, requirements, culture and social mores, and consumer habits. It also derives from having excellent on-ground partners (media, logistics, marketing, supply chain, finance, human resources, and government). Facebook, Google, Twitter, Amazon Prime, Netflix are a new generation born digital global brands which have adopted glocalization. Google with nine regional language options in India for its content is a great example of delivering what diversity requires. Creation of content in regional languages and local cultural context makes Netflix and Prime Video brands of the present and future. When Barbie makes a hijab-wearing doll (Hijabi Barbie) and another one honouring Indian Olympic gymnast Dipa Karmakar, they are signals that the need for a global brand going local to stay relevant is well understood. In the entertainment industry more so glocalization has found currency. Viacom's MTV created content keeping in mind local tastes and sensibilities in most of the countries it operates in including India.

With the resurgence of regional and local identities across cultures and geographies, brands must respond to this need for different customer groups in helping them “identify” themselves. Glocalization is a refinement of the term globalization. Over time globalization had developed a negative connotation of cultural homogenization; domination of one societal or regional culture over others. In reality, this was not an intended purpose of the globalization idea. To overcome this misunderstanding brands across the globe adopted a glocalization perspective – global template, local respect.

Challenges in the Path

Challenges for brands trying to adopt this approach are many. It is expensive as every region-local-specific marketing initiative must be preceded by a good amount of immersive research. Centralization (or inability to decentralize) is another big challenge for glocalization. While

global elements lower the cost of production and marketing, glocalization increases costs of production and marketing to local areas. Unless a brand is large enough and financially strong, it would not be able to go beyond dubbing English based commercials into the local language while the context and actors remain irrelevantly global, for instance. MNCs attempting glocalization must also be capable of managing a conflicting set of demands – global competitiveness versus local competitiveness. In other words, brands that want to adopt glocalization must become good at blending global standardization with local responsiveness. Windows 95 was introduced worldwide with a local variation such as the Chinese edition and had to be marketed heavily before it became obsolete. Similarly, the same Gucci purses are marketed in different markets on different continents but with crucial modifications in the promotion, distribution, customer habits, and eccentricities of different market target groups. HUL with its Lever Ayush range of ayurvedic products and Colgate with its Cibaca Vedshakti are true-blue glocalization efforts albeit after they started losing market share to Patanjali with its herbal and natural storyline of products.

MNCs

Glocalization requires brands and MNCs to decipher signs, symbols and values of the different cultural environments they operate/wish to operate in. This cultural environment includes language; motivational determinants such as education, religion, values; social structure, technology and political environment. Glocalised value creation has been mastered by many MNCs after realizing that India is in reality “many Indias, not just one”. Glocalization in the era of social media is about leadership and governance of “co-owned assets” enabled through customer engagement in their local settings. Brands like HUL were early to realise that rural India was aspirational but low on disposable income so in came the “sachet” SKU. Similarly, Vodafone did the same with tiny recharge packs for the Indian mobile telephony consumer. Nokia made cell phones that were tough as nails with dust resistant keypads, better anti-slip grip for India’s sweaty climate, and a built-in torchlight keeping in mind rural electricity situations – completely syncing themselves with the local consumer’s pain points.

It is not only FMCG and Consumer Durables brands that have embraced glocalization as a means to maintain continued relevance. Education brands have followed suit. Udacity and Coursera will have to glocalise if they want to tap into the aspirational hunger of South East Asian countries especially India. Thomas Friedman in “The World is Flat” identified the internet as the great glocalization enabler. As education goes increasingly online, glocalization must logically follow in the education arena.

Glocalization is exactly what the doctor ordered for the success of brands as the world becomes one and yet fragmented. Indian consumers can only be happy at the customization and relevance that brands are building into their global products for the Indian market whether it be in terms of design, materials, price, cultural artefacts and contextual communication. It is hard work for marketers. But if executed properly the rewards would be worth it.

The article can be read online [here](#).