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## SOCIAL NETWORKS AS GLOCAL PRODUCTS: THE CASE OF FACEBOOK

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## **Abstract**

The appropriateness of following a globally standardized or locally adapted strategy in global marketing has been subject of an on-going debate for several decades. However, little research exists of how to follow standardization and adaptation (s/a) simultaneously and to take advantage of both strategies, in brief how to follow a GloCal approach. Thus, the purpose of this case study is to generate theoretical insights of how to follow a GloCal strategy, based on the case of Facebook.

After reviewing critical points of current knowledge in the field of s/a, qualitative research via open-ended in-depth interviews from a sample of Facebook users from 16 different countries was conducted. The outcome supports that common needs and individual usage behavior of Facebook users favor a strategy that is simultaneously standardized and adapted, within different aspects of the product element. Results are presented narratively intertwined with theory and prior study results.

Findings reveal that Facebook is following a GloCal approach. By abstracting from the case of Facebook to a general level theoretical insights are gained of how to follow s/a simultaneously. This work contributes to existing theory, since it is a starting point to close the research gap of how to follow s/a simultaneously in international marketing. Additionally, it exhibits the significance and importance of the GloCal approach. Regarding practitioners this work provides guidance on how to create synergies, while considering differences within their international marketing strategies

**Key words:** Standardization and Adaptation, GloCal, Personal Values, Facebook

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## 1. Introduction

Recent decades are characterized by fast globalization of the corporate world and revolutionary progress in information technologies and communication (Czinkota and Ronkainen, 2001; Keegan, 1999). This dynamic process prevails companies to define effective marketing programs for domestic and international markets in order to stay competitive in a global environment. As part of this, when specifying their marketing programs firms have to decide if they will standardize their strategy globally or adapt it to local needs (Theodosiou and Leonidou, 2003).

The appropriateness of whether or not using a globally standardized marketing strategy has been subject of academic research for several decades (Jain, 1989; Griffith et al, 2000). While most of standardization and adaptation (s/a) research has been conducted regarding marketing-mix elements, the appropriate degree of s/a and factors affecting standardization (Waheeduzzaman and Dube, 2004), little data exists of how to follow s/a simultaneously. The GloCal approach – a relatively new aspect in this research area – defends that it is possible to be “global” and “local” at the same time by following standardization and adaptation simultaneously and to take advantage of both strategies: Economies of scale and global consistency along with customer orientation. Moreover, it allows companies to satisfy similar customer needs across different market segments, which can be very rewarding (Lages, 2012b). Therefore, the most recent and pressing Research Questions is: *“How to follow standardization and adaptation simultaneously and how to take advantage of both strategies?”*

The case of the social network Facebook (FB) should give an answer to this question. To date, FB is available globally in more than 70 languages (Dworschak et

al, 2012) and is counting more than one billion active users in October 2012 (Facebook, 2012a). When FB was founded in 2004, the social network was open only for Harvard students, but in order to grow further and to explore the so-called “network effect” FB became accessible for other High School students and since 2006 the network is open for everyone (Vitkauskaitė, 2011). Hence, FB started its history as local network and advanced to a global service. Today, the company is following an international marketing strategy composed of a mixture between standardized and adapted elements. Thus, a case study based on FB was well suited to gain theoretical insights in an area where little research was done so far.

The purpose of this case study is to obtain theoretical insights from FB of how to follow s/a simultaneously. To do so secondary data was analyzed extensively and an inductive qualitative research among FB users from 16 different countries has been conducted. The aim of the research is to reveal commonalities and individual usage behavior among FB users and based on that to abstract from the case of FB to a general level. The paper contributes to existing theory, since it aims to close the research gap of how to follow s/a simultaneously in international marketing. Additionally, it is a starting point to exhibit the importance of the GloCal approach. Regarding practitioners the goal is to provide guidance on how to create synergies, while considering differences within their international marketing strategies.

The case study starts by discussing critical knowledge in the field of s/a research. Afterwards, the collected interview data is presented and analyzed. Subsequently, theoretical and managerial implications are addressed and research limitations and implications for future directions are being considered.

## **2. Theoretical Background**

### **2.1 The standardization/adaptation debate**

The debate on whether or not to standardize international marketing started in full strength after Theodore Levitt's article in 1983, stating that "accustomed differences in national or regional preferences" had been overcome and we are now facing "the emergence of global markets for standardized consumer products" (Levitt, 1983). Several scholars (e.g. Griffith et al, 2000; Walters and Toyne, 1989) agree on Levitt's view, and some support that global market segments are evolving and international marketing should be standardized (Melewar and Vemmervik, 2004). Advocates of the standardization approach argue that the main advantage is to gain competitive advantage through economies of scale (Waheeduzzaman and Dube, 2004). Additional benefits are an international "consistent corporate/brand image" and "reduced managerial complexity" (Theodosiou and Leonidou, 2003).

In opposite to that, several other authors are supporting the approach of marketing adaptation. Scholars like Cavusgil and Zou (1994) argue that adaptation is necessary due to market differences regarding stages of economic development, different cultures, legal system, and customer values and lifestyles. Adaptation of international marketing strategy aims to enhance value creation through stronger orientation towards customers (Ryans et al, 2003).

After many decades of extensive research, several scholars favor a contingency strategy, which states that s/a should not be seen separated from each other but rather placed at two ends of a continuum. Within this approach a few internal and external forces determine the degree of s/a (Theodosiou and Leonidou, 2003).

## **2.2 The GloCal approach**

Within research in the field of s/a the GloCal approach defends that it is possible to follow a marketing strategy that is simultaneously adapted (local) and standardized (global). According to Lages (2012b) a GloCal vision allows companies to satisfy similar needs across dissimilar market segments and to take advantage of both strategies at the same time. To implement such a GloCal vision it is crucial to explore a so-called GloCal hidden code by identifying similarities and commonalities across different markets. Following a GloCal approach allows companies to uncover market potential outside the saturated domestic market and to sell across different foreign markets, while satisfying local needs (Lages, 2012a). Hence, the GloCal approach offers highly promising and rewarding advantages for companies. Additionally, it can add new inputs to research in the field of s/a and it might even offer a solution to the ongoing debate.

The main advantages of following a GloCal approach or Standardization or Adaptation of international marketing are summarized in Table 1.

## **2.3 Marketing strategy standardization and adaptation**

According to Waheeduzzaman and Dube's (2004) content analysis, reviewing 130 articles published in recognized journals, most of international marketing s/a research has been conducted regarding marketing-mix elements, different factors affecting s/a and the appropriate degree of s/a. To measure the degree of s/a scholars have mostly used two approaches either a marketing process-orientated or marketing program-orientated approach (Lages et al, 2008). Within this case study the focus is on the later one, which is related to the aspects of the marketing mix.

Table 1: Advantages of Standardization, Adaptation and the GloCal approach

<b>Standardization</b>	<b>Adaptation</b>
Economies of Scale	Sensitivity to local conditions
Consistent corporate/global image	Value creation through customer orientation
Reduced managerial complexity	Accurate local positioning and communication
<b>GloCal approach</b>	
Economies of Scale and consistency and simultaneous culture and customer orientation	
Economies of Scale and Scope	
Target a larger market resulting in a higher possibility of growing faster	
Using international know-how to operate locally and local know-how to operate globally	
Maximize the use of resources (production, know-how, team capabilities)	
Foster creativity through seeing problems from different angles	
Provide a sustainable performance through diversification	

Based on: Lages, 2012a; Ryans et al, 2003; Theodosiou and Leonidou, 2003; Waheeduzzaman and Dube, 2004

As far as the authors' knowledge Theodosiou and Leonidou's (2003) work is the most extensive one consolidating empirical knowledge by analyzing in-depth studies in international marketing s/a. For the product element eleven items from 21 studies are presented, which have empirically measured the actual degree of marketing strategy s/a. Findings reveal that product-related items were the most standardized ones, probably due to "the benefits of economies of scale", "the desire for rapid diffusion" and "the need to achieve better management coordination". However, part of this case study research is to show that it is possible to follow s/a simultaneously within the different aspects of product s/a based on the case of FB. Thus the first proposition of this case study says:

***P (1): Facebook is following a GloCal approach (following standardization and adaptation simultaneously) within the items of the product element.***



## **2.4. Factors affecting standardization and adaptation**

The right degree of standardization and adaptation in global marketing depends on internal and external factors (Katsikeas et al, 2006). According to Waheeduzzaman and Dube's (2004) content analysis, 55% of their reviewed studies argue that similar market segments are such a crucial factor affecting s/a. These inter-market segments with similar needs and consumption behavior across different countries offer unique opportunities for standardization. Kale and Sudharshan (1987) argue further that "by standardizing across similar worldwide segments and differentiating across dissimilar worldwide segments the advantages of both standardization and adaptation can be reaped". To take advantage of s/a simultaneously corresponds with the GloCal approach. As explained above the GloCal approach defends that companies can follow s/a simultaneously by the identification of a hidden code, which represents unknown market similarities across different consumer segments (Lages, 2012b). To benefit from inter-market segments it is crucial to choose the right segmentation variables, dividing global markets so that customers in a certain segment reveal similar responses to marketing stimuli. Thereby segmentation is mostly based on geographic, political, economic, cultural or multi-variable grouping. (Baalbaki and Malhotra, 1993). Within this case study the chosen variables to segment FB users are personal values due to the following reasons: According to Durgee (1996) one of the most important ways to understand consumers is by comprehending both their "values and their systems of values." Moreover, from consumer values, beliefs, and attitudes, consumer behaviors can be deduced. In turn personal values are an important instrument for understanding what

attracts consumers towards certain products or services and leads them consequently to their usage behaviors (Madrigal and Kahle, 1994).

In order to understand reasons behind services usage better Lages and Fernandes (2005) developed the so-called “SERPVAL scale – a multi-item instrument for measuring service personal values”. This scale provides several items to measure personal values associated with the usage of a service. More precisely their scale presents items of three different dimensions of service value, namely (1) peaceful life (PL), (2) social integration (SI) and (3) social recognition (SR). The items from the SERPVAL scale are used for this research to understand FB users’ usage behavior of the social network. An overview of different items resulting in the SERPVAL dimensions can be found in Appendix 1. Based on the theoretical findings described above the following proposition is stated within this research:

***P (2) Facebook is following a GloCal approach due to***

***a) Its identification of a GloCal hidden code.***

***b) Inter-market segments of Facebook users***

### **3. Methodology**

#### **3.1 Data sources**

For the goal of obtaining theoretical insights in a field where sparse data exists a case study methodology is most appropriate (Dutton and Dukerich, 1991). The case of FB has been selected, because the social network represents an unusual revelatory example and bears high potential for illuminating the GloCal approach. FB is operating globally and represents the only network with more than one billion active users worldwide (Facebook, 2012a). Due to the fact that both the number of global users and the number of page views is steadily growing (Drösser et al, 2012) it can

be assumed that FB identified a hidden code that satisfies similar needs across different market segments. In turn it can be stated that FB is following a GloCal approach. To examine this assumption in detail two kinds of data sources had been used: (1) secondary data and (2) primary research. The secondary data analysis included a review of existing s/a literature, FB's press releases and information from different media. Primary research was conducted from FB users from 16 different countries to identify similar needs, commonalities and their usage behavior.

### **3.2 Survey instrument development**

In order to conduct primary research, theoretical knowledge, especially based on Theodosiou and Leonidou (2003), was examined extensively. Their work summarizes all relevant aspects for product, promotion, price and distribution s/a. Moreover, their review can be considered as widely accepted, since different studies, e.g. Lages' STRADAPT Scale, are based on it (Lages et al, 2008). In the case of FB promotion, price and distribution are standardized globally, wherefore this research focuses only on the marketing strategy of the product element only. Out of the eleven product items shown in Theodosiou and Leonidou's (2003) literature review five are studied further for illuminating FB's GloCal approach and showing that these items are simultaneously standardized and adapted within the case of FB, namely: Positioning, Design/Style, Features/Characteristics, Brand/Branding, and Label. In order to study the usage behavior of FB members, items of the "SERPVAL scale - a multi-item instrument for measuring service personal values" (Lages and Fernandes, 2005) are used in this research.

### **3.3 Data collection**

Data have been collected via qualitative, in-depth interviews with active FB users. Direct interviews aim to gain the deepest insights into personal values and to uncover “underlying motivations, beliefs, attitudes and feelings on a topic” (Malhorta and Birks, 2007). Moreover, open-ended interviews provide the advantage that the respondent can add additional thoughts that have not been included in the Interview Guide.

The interviewees were selected through convenience sampling. 16 interviews were conducted during the period from October 14<sup>th</sup> - November 11<sup>th</sup>, either face-to-face or via Skype video call, each lasting between 15–45 minutes.

## **4. Discussion of the case in the light of literature**

### **4.1 Sample profile**

For this research a convenience sample of 16 active FB users was asked about their attitudes, needs and received benefits towards FB, to exposure commonalities among them. Moreover their personal values were inquired to illuminate their usage behavior. Interviewees of this research come from the following 16 countries (in alphabetical order): Australia, Austria, Canada, Colombia, Germany, Italy, Mexico, Norway, Portugal, Romania, Russia, Serbia, South Africa, Turkey, Ukraine, USA. The variety of nationalities is especially important since this research aims to uncover commonalities of inter-market segments. Interview participants had to pass two selection criteria. Firstly, they had to be active FB users to make sure that the respondent has meaningful experience about the social network and the research subject. Secondly, participants had to be over 13 years old in order to be coincide with FB’s legal terms (Facebook, 2012b).

The sample's average age in this research is between 18 and 34 years old; more precisely 3 out of the 16 respondents are between 25 and 34 years old and 13 out of 16 respondents are between 18 and 24 years old. This represents a good sample of the FB population, since the median age of global FB users is 22 years (Facebook 2012c). In terms of education 2 (12,5%) respondents hold a High School degree, 8 (50%) a Bachelors degree and 6 (37,5%) a Masters degree. While 6 (37,5%) respondents reported that they are university students 10 (62,5%) indicated that they are working full time.

#### **4.2 Steps of Data Analysis**

The data analysis of this work follows the guideline of Eisenhardt and Graebner, (2007): "The theory-building process occurs via recursive cycling among the case data, emerging theory and later, extant literature".

The case of FB and its historical development from a local to a global to a GloCal approach is presented narratively. In order to show that the company is following a GloCal approach two propositions are explored. Each proposition is supported by empirical evidence from the research of this thesis and matched to the case of FB and extant literature. More precisely, it was analyzed to what extent/in what way theoretical items were mentioned by respondents. The same or similar answers were grouped and key differences of respondents viewpoints considered. Based on that interpretations were drawn. The steps of data analysis described above are following case study directions of Eisenhardt (1989).

### **4.3 Facebook's development from a local to a global product**

In February 2004, the Harvard student Mark Zuckerberg founded with the help of college friends the social network thefacebook, exclusively accessible for Harvard students. The rationale behind was to connect technology with social life and to use the Internet as platform for college students to share personal information. After two weeks and more than 1.000 registered users Zuckerberg got requests from students of neighbor universities, whether he wants to offer thefacebook also at their schools. Zuckerberg saw the high potential of the social network, convinced the investor Ron Conway that the social network will count up to 300 million users and received half a million US Dollar capital (SpiegelTV, 2012). After making the network accessible for Stanford, Columbia and Yale college students 800 more US colleges followed and in 2005 it was also made available for high schools. In the same year thefacebook dropped the "the" and the social network became FB (Facebook, 2012a). Thus, FB started its history of success with a local strategy. Local in two respects: Firstly in a geographic sense, since it was only available in the US. Secondly in terms of market segments, since it was only available for students. At this stage the local strategy was sufficient, because it satisfied the need of the target group, namely to be connected with other students. Thus, the goal of following a local vision and a market-oriented approach was achieved, because the network was successful locally.

But following a local strategy bears major threats: Firstly, the limited number of potential customers. Secondly, if the company performs well it is very likely that another global enterprise will enter this market. A potential way to grow further is to leverage market potential and expand the local market-oriented business to a global –

product oriented business (Lages, 2012b). Zuckerberg probably recognized that FB is depended on a limited number of customers, namely US students, and that it is difficult to keep local competitive advantage, since it is easy to copy the social network. Based on the high demand of his social network he might have recognized that there is a market segment seeking for the same benefit and that his offering might be strong enough to serve this segment worldwide. Zuckerberg decided to follow a global vision, which meant to transfer the local US-based business overseas, which was nothing more than making registration available globally and the opportunities of standardization had been fully explored: The product itself remained standardized while economies of scales had been explored, and the number of potential users had been increased significantly (Facebook, 2012a). Moreover, by expanding the network to new potential users the so-called network-effect can be fully explored, which means that a product or service becomes more valuable, the more people use it (Katz and Shapiro, 1994). Going global turned out to be a wise decision: After expanding the registration globally, so anyone can join in September 2006, FB reached 12 million users in December the same year (Facebook, 2012a).

However, the implementation of a global strategy without considering local and market-orientated characteristics is extremely risky. A global, product-orientated, standardized strategy might overlook value creation by strong customer orientation (Cavusgil and Zou, 1994). Customer orientation is from great interest for FB with 86% of the social networks total revenue being delivered by advertising earnings (Geron, 2012). And FB Ads are dependent on customers' personal data and shared interests, since FB is selling advertisers these aggregated user data. (Facebook, 2012d).

#### **4.4 Facebook as GloCal product**

The discussion above leads to the conclusion that advantages from a standardized global strategy as well as benefits from an adapted local strategy based on users' needs are crucial for FB's success and it can be assumed that the social network is following a GloCal vision. The first proposition (P1), stating that "*Facebook is following a GloCal approach within the items of the product element*" should illustrate this statement more precisely: Five product items (Positioning, Design/Style, Features/Characteristics, Brand/Branding, Label) had been evaluated in terms of s/a. According to Theodosiou and Leonidou (2003) product-related attributes are the most standardized ones of the marketing-mix. However findings from this case study research indicate a different view. Interviewees had been asked about their own perception whether product items of FB are standardized or not. The author of this case study rechecked the respondent's answers with FB's offering online and came to the same opinion. Findings exhibit that FB's Positioning and Brand/Branding are standardized and Labeling in terms of language is adapted, which is aligned with theory. However the product items of Design/Style and Features/characteristic are count as standardized in theory, contradicts with findings in this research. The cumulated outcome is shown in Appendix 2.

More precisely, the case of FB shows that both Design/Style and Features/characteristics are simultaneously standardized and adapted. FB's Design/Style set up (general page and features composition), its platform design (clean, structured, only blue and white) and handling (page navigation) is the same globally (Facebook, 2012e). This results in economies of scale in fields like R&D, design and engineering. Although Design/Style is standardized by FB each user



profile looks different through the opportunity to adapt it individually, for example with pictures or wall posts. For example, one respondent pointed out that he likes FB's clean design connected with the possibility to change his profiles appearance from time to time. Furthermore, FB's offering of features and characteristics (Friends list, wall, news feed, status updates, events, photo upload, groups and apps) is standardized (Facebook, 2012e). These features are offered globally in the same appearance and with the same functions. However, it is up to FB's user which features to use to what extent and how. For example the feature "event" can be used to create an event for a birthday party or to start a worldwide campaign like "Kony 2012" (Facebook, 2012f). For both purposes, the attributes of how to create an event on FB remain the same.

Moreover, in the case of FB the concept of GloCal mass customization can be examined. According to this approach companies benefit from economies of scale while offering customized solutions to its customers (Lages, 2012b). As described above, FB is providing standardized modules (Design/Style and Features/Characteristics), which can be combined and provide in turn customized solutions for different target markets. What is more, FB offers extra value to its users through the combination of different services/technologies with the social network. For example, the wealth of FB Apps allows users streaming music via the service "Spotify" or playing several social games. (Facebook, 2012g) Consequently, standardized FB features can be used for different purposes according to personal needs. Based on the findings above, it can be concluded that FB is following a GloCal approach within the items of the product element.

Due to the fact that FB is counting more than one billion active users (Facebook, 2012c) and that both user number and page views are steadily growing (Drösser et al, 2012) it can be assumed that FB identified a GloCal hidden code that satisfies similar needs across different markets. In order to explore the social network's GloCal hidden code FB users from 16 different nationalities had been asked about their perceived benefits/satisfied needs resulting from FB usage in order to illuminate the second research proposition P (2) a) of this thesis, stating that *"Facebook is following a GloCal approach due to its identification of a GloCal hidden code."* The outcome of this research supports that FB discovered a GloCal hidden code. All 16 respondents with different national backgrounds are sharing one commonly perceived need through using FB, which is: "staying connected". For example one of the respondents answered: The main advantage FB offers is being connected to friends that I met during travelling to different countries". Another interviewee replied that: "FB is the best opportunity to be connected with lots of people simultaneously." The need of staying connected is reflected and supported by FB's mission "to give people the power to share and make the world more open and connected" (Facebook, 2012h). Moreover, prior research of 423 FB users from five countries supports that people's main motivation to use FB is "Social searching" which denotes staying connected with people (Vasalou et al, 2010). By the identification of the hidden code of "staying connected" FB explored a common need among different national markets that allowed the company to follow a GloCal approach.

At this point it could be argued that other social network sites, like MySpace or Friendster are also providing a platform of "staying connected" and that this alone

can't be the reason for FB's success (SpiegelTV, 2012). The question is what makes FB so special and so attractive to its users to satisfy their common need especially on this social network? To explore this question interviewees had been asked to talk about their usage motivation of FB features (Friends list, Wall & News Feed, Status updates, Events, Photo upload, Groups, Apps) and why they are using these features in terms of their personal values. The answers had been categorized towards the personal value dimensions of (1) PL (2) SI and (3) SR according to the SERPVAL scale. (See Appendix 1) After analyzing data the following proposition P (2) b) is explored: *"Facebook is following a GloCal approach due to Inter-market segments of Facebook users."* Findings support that the sample of this case study is using FB's features mainly to gain SI and SR, but not to pursue PL. According to respondents answers the author concluded that the usage motivation of 10 persons is due to SI and of 6 persons due to SR. SI was mostly expressed by the motivation to strengthen family/friendship relationships and a higher integration in a group via joining private groups and checking the news feed/wall from friends. SR was shown by the motivation to share its own life via wall posts and pictures and to gain thereby more status. Although users are following different personal values and FB's features are standardized the social network allows them to use it according to their needs. A table containing respondent's demographics, aggregated interview data and interpretations drawn can be found in Appendix 3.

The findings that people are using FB to gain SI or SR is also supported by another survey, conducted to understand the reason why people use FB. According to Nadkarni and Hofmann's (2011) literature review on psychological factors contributing to the usage of FB the social network is mainly used due to two

fundamental social needs (1) the need to belong and (2) the need for self-presentation. While the former need is defined as “intrinsic drive to affiliate with others and gain social acceptance” (Nadkarni and Hofmann, 2011) it can be seen as synonym to SI and corresponds with the findings of this research. However, the later describes the “continuous process of impression management” (Nadkarni and Hofmann, 2011) and contradicts with findings of this research. Therefore this research views FB users motivation from a new angle stating that besides SI people are using FB in order to gain SR instead of their need for self-presentation.

Thus it can be concluded that FB is following a GloCal approach due to different inter-market segments, based on personal values of SI and SR among FB users. FB’s platform and offering is standardized, but it leaves the freedom to its user to use the social network according to their own personal values within their commonly shared need of “staying connected”

## **5. Theoretical implications**

Within the ongoing debate about marketing strategy s/a the latest recognized findings reveal that the right marketing strategy is placed along a continuum from pure standardization to pure adaptation, influenced by several internal and external factors (Theodosiou and Leonidou, 2003). However, little data exists of how to follow s/a simultaneously. Thus, the purpose of this work is to develop prior research further and to show that s/a is not only placed on a continuum, but that it is also possible to follow s/a simultaneously, in other words to follow a GloCal approach.

While building on past s/a literature, the first proposition of this case study points out that it is possible to follow a GloCal approach within the product element of the marketing mix. Prior research (Theodosiou and Leonidou, 2003) claims that

the items of the product element are the most standardized ones of the marketing mix. However, this is contradicting to the findings of this study, which shows that the items of the product element can be simultaneously standardized and adapted. FB features are offered standardized but can be used for different purposes according to personal needs. Additionally, this case study exhibits that GloCal mass customization that is resulting in economies of scale while considering consumer needs plays an important role within the GloCal approach and consequently in s/a research. Due to these findings it can be concluded that FB is following a GloCal approach within the items of the product element and in turn findings show that it is possible to follow a GloCal approach.

Furthermore, based on the case of FB it was shown within the second proposition that it is possible to satisfy similar needs across different inter-market segments. Respondents of this research shared the commonly perceived need of “staying connected” resulting from FB usage. Comparing this finding with Facebook’s (2012h) mission of “giving people the power to share and make the world more open and connected” it can be assumed that the social network managed to identify a GloCal hidden code and is acting accordingly. While the identification of inter-market segments is not completely new in s/a research, it is known in theory that inter-market segments with similar needs and consumption behavior across different countries offer unique opportunities for standardization. However, in prior research segmentation was mostly based on geographic, political, economic, cultural or multi-variable grouping (Baalbaki and Malhotra, 1993). What is new from this research is to expand extant s/a literature by using Personal Values as segmentation variable. Personal Values are a strong tool for understanding what attracts consumers towards

certain products or services and leads them consequently to their usage behavior. In addition to that this case study exhibits that inter-market do not only allow standardization, but also adaptation through providing standardized items that can be used according to customers personal needs.

Although it can't be claimed that this case study verifies and proofs the GloCal approach, this work reached its goal to extend existing theory and to exhibit a possible way of how to follow s/a simultaneously. To conclude, this case study contributes to the extant theory, since it fulfilled its aim to serve as starting point to close the research gap of how to follow s/a simultaneously in international marketing.

## **6. Managerial Implications**

Regarding practitioners the goal of this work is to provide guidance on how to follow s/a simultaneously, and how to create synergies, while considering differences within their international marketing strategies.

The case of FB shows that following a GloCal approach can be very rewarding since advantages from a standardized and adapted strategy can be reaped. Companies can profit from economies of scale, global consistency and reduced managerial complexity, while creating extra value through customer orientation.

Moreover, the case study demonstrates that the GloCal approach is not only a theoretical concept, but that it already exists successfully in practice. The case of Facebook shows that it is possible to follow s/a simultaneously, to identify a GloCal hidden code that satisfies similar customer needs around the world and it exhibits the importance of inter-market segments. Being aware that it is possible to follow a GloCal approach and benefit from its advantages managers can assess how they

could implement a GloCal strategy in their company according to their firms' characteristics and needs.

Furthermore, this case study highlights the importance of being highly customer-orientated. According to Lages and Fernandes (2005) "being highly customer-orientated means having a strong commitment to customers, trying to create customer value and understanding customer needs". The case of FB shows managers the significance of understanding the reasons behind usage and what attracts customers to a service. Thus, the case study exhibits that not only high quality or a low price attracts customers, but that personal values should be illuminated in order to understand customers consumption behavior better and to offer services/products based on their needs. Additionally, understanding customers' needs and personal values offers a high potential to target a larger market and facilitates the opportunity of growing faster (Lages, 2012a).

## **7. Further Implications and Research limitations**

Although this case study fulfilled its aim to generate theoretical insights, some limitations exist. Due to time constraints this work followed a single-case approach. However, according to Eisenhardt and Graebner (2007) "theory building from multiple cases typically yields more robust, generalizable and testable theory than single-case research". Since this case study was developed as part to obtain the Masters Degree Award it must be an individual work. Therefore, the interview guide design, pre-test, interview conduction, data analysis and verification were done only by the author alone wherefore this research might contain subjectivity of the author up to a certain point. Finally, since little research exists in the field of simultaneous s/a and this case study is an early attempt to gain theoretical insights on the GloCal

approach qualitative research was conducted. Therefore, only general, rather subjective conclusions can be drawn, whereas a following quantitative research could verify these results further through the construction of statistical models. (Malhorta and Birks, 2007). Moreover, the complexity of FB was narrowed down and several internal and external factors were excluded of this research. For example, according to Nadkarni and Hofmann (2011) FB's usage is also affected by other factors, like cultural background. Thus it is recommended to analyze more variables in future research.

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## Appendixes

Appendix 1. The SERPVAl scale –Personal Value dimensions related to its items

Personal Value dimensions	Personal Value items
Peaceful life (PL)	More tranquility
	More family security
	More harmony and stability in life
	A More pleasurable life
Social integration (SI)	A higher integration in my group
	Better relationships (e.g. social, professional and family)
	To strengthen friendship relations
Social recognition (SR)	More respect from others
	The feeling that the world is more agreeable
	More social recognition
	More status
	A more stimulating and adventurous life

Based on: Lages and Fernandes, 2005

Appendix 2. Standardization and Adaptation of product items: Evaluation of Research, Interpretation and comparison to theory

Product items	Evaluation	Interpretation	Comparison to theory
Positioning	<b>Standardization:</b> Brand Identity	<b>Standardization</b>	<b>Standardization</b>
Design/Style	<b>Standardization:</b> Set up Platform Design &handling <b>Adaptation:</b> Individual account appearance	<b>Standardization/ Adaptation</b>	<b>Standardization</b>
Features/ Characteristics	<b>Standardization:</b> Handling of: Friends list Wall &News Feed Status updates Events Photo upload Groups Apps <b>Adaptation:</b> Individual usage behavior	<b>Standardization/ Adaptation</b>	<b>Standardization</b>
Brand/ Branding	<b>Standardization:</b> Name, Logo, Like- Button	<b>Standardization</b>	<b>Standardization</b>
Label	<b>Adaptation:</b> Language	<b>Adaptation</b>	<b>Adaptation</b>

Based on: Author's research, and Theodosiou and Leonidou, 2003

Appendix 3. Aggregated research Data to illuminate the GloCal Hidden Code and Facebook usage motivations

<b>Demographics</b>	<b>Interview 1</b>	<b>Interview 2</b>	<b>Interview 3</b>	<b>Interview 4</b>
Age	18-24	18-24	25-34	18-24
Gender	Male	Female	Female	Female
Education	High School	Masters Degree	Bachelors Degree	Bachelors Degree
Occupation	Working full time	Working full time	Student	Working full time
Nationality	Australia	Austria	Canada	Colombia
<b>Hidden code "Quotes"</b>	"The main advantage Facebook offers is being connected to friends that I met during travelling to different countries".	"I benefit from Facebook on a daily basis, because it offers several advantages: "Staying connected and keeping in touch with different people around the world".	"Thanks to FB I am connected with my friends on a regular and easy basis".	"With Facebook I maintain in contact with my family, even if I can't see them regularly".
<b>Hidden code Interpretation/ Common need</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>
<b>Usage motivation Example "Quotes"</b>	"I am reading the news feed daily to know what's going on in the life of my international friends and to maintain contact with them".	"With Facebook's news feed I can read what's going on in the life of my international friends. When we see each other again we are up to date and this improves our relationship".	"Since I am living abroad, I am posting pictures on my wall and I am doing frequently status updates to share my great new life with my family and friends".	"I have a big family in Columbia and we have set up a private group on Facebook, where we post news. My sister always uploads pictures of my 3 months old niece".
<b>Summary of Usage motivation reasons</b>	Reading the news feed daily to maintain friendship relationships  Higher integration in group with recently met people	Reading the news feed to improve friendship relationships  Using Game-App to strengthen friendship relationships	More social recognition through sharing posts (pictures, status)	Use of private group to strengthen/maintain family relationships
<b>Usage motivation Interpretation</b>	<b>Social integration</b>	<b>Social integration</b>	<b>Social recognition</b>	<b>Social integration</b>

<b>Demographics</b>	<b>Interview 5</b>	<b>Interview 6</b>	<b>Interview 7</b>	<b>Interview 8</b>
Age	25-34	18-24	18-24	18-24
Gender	Male	Male	Male	Male
Education	High School	Masters Degree	Bachelors Degree	Masters Degree
Occupation	Working full time	Working full time	Working full time	Working full time
Nationality	Germany	Italy	Mexico	Norway
<b>Hidden code "Quotes"</b>	"Through Facebook's news feed I am connected to my friends even if I do not have time talking to them".	"Facebook stands for staying connected while being abroad".	"Even if I travel a lot for my job I can stay in contact with my friends and family all the time".	"Reading Facebook's news feed in the evening means keeping in touch with my friends and especially my sports team".
<b>Hidden code Interpretation/ Common need</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>
<b>Usage motivation Example "Quotes"</b>	"My job is very time consuming and instead of writing every single friend e-mails or call them separately I share my life via status updates or photos".	"Since I am living abroad I feel lonely quite often, but playing games via Facebook with my friends makes me feel better".	"My passion is painting and Facebook offers me a platform to express myself through my paintings. Additionally I used Facebook as platform to invite people for my first vernissage".	" My rugby sports club has its own page that I am checking daily and I also created a great private group for my team to discuss news".
<b>Summary of Usage motivation reasons</b>	More social recognition through sharing posts (pictures, status)	Using Game-App to strengthen friendship relationships  Reading the news feed daily to maintain friendship relationships	More social recognition through sharing posts (paintings)  Social recognition and status when people like own posts (paintings)	Use of private group to strengthen social relationship
<b>Usage motivation Interpretation</b>	<b>Social recognition</b>	<b>Social integration</b>	<b>Social recognition</b>	<b>Social integration</b>

<b>Demographics</b>	<b>Interview 9</b>	<b>Interview 10</b>	<b>Interview 11</b>	<b>Interview 12</b>
Age	18-24	18-24	18-24	18-24
Gender	Male	Male	Female	Male
Education	Bachelors Degree	Masters Degree	Bachelors Degree	Bachelors Degree
Occupation	Student	Working full time	U. Student	Student
Nationality	Portugal	Romania	Russia	Serbia
<b>Hidden code "Quotes"</b>	"Facebook helps me to maintain contact to people I have met during ERASMUS".	"Through Facebook I stay connected with former university colleagues for professional networking".	"Thanks to Facebook I can be connected with new international people I met, which does not work with our Russian "Facebook"".	"Currently, I am living far away from home and Facebook offers a platform where I can keep in touch with people I like".
<b>Hidden code Interpretation/ Common need</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>
<b>Usage motivation Example "Quotes"</b>	"I did ERASMUS last semester and I become friends with lots of great people. Therefore we created a private group to stay connected".	"I use Facebook both as unconventional professional networking platform and to have fun with friends while playing Angry Birds".	"Honestly, I am using Facebook to show my friends and family my better life I have now abroad".	"I have set up a private group and invited all my friends, where we can share our private daily experiences nobody else should read".
<b>Summary of Usage motivation reasons</b>	Using a private group to maintain/strengthen relationship  Using private groups for university projects	Strengthen professional relationship  Using Game-App to strengthen friendship relationships	More status through sharing posts (video, pictures and status)	Strengthen friendship relationship  Using Game-App to strengthen friendship relations
<b>Usage motivation Interpretation</b>	<b>Social integration</b>	<b>Social integration</b>	<b>Social recognition</b>	<b>Social integration</b>

<b>Demographics</b>	<b>Interview 13</b>	<b>Interview 14</b>	<b>Interview 15</b>	<b>Interview 16</b>
Age	18-24	18-24	18-24	25-34
Gender	Female	Female	Female	Female
Education	Bachelors Degree	Masters Degree	Bachelors Degree	Masters Degree
Occupation	Student	Working full time	Student	Working full time
Nationality	South Africa	Turkey	Ukraine	USA
<b>Hidden code "Quotes"</b>	"With Facebook I keep in touch with all my friends, and I am connected with people I otherwise would have lost contact with".	"Thanks to Facebook I stay in contact with both my family and friends at home and with my new friends".	"Facebook helps me not to be out of touch with old friends, but stay connected".	"Facebook is the best opportunity to be connected with lots of people simultaneously".
<b>Hidden code Interpretation/ Common need</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>	<b>Staying/being connected</b>
<b>Usage motivation Example "Quotes"</b>	"I love going online in the evening and check what my friends posted during day and I am very happy when I find people on Facebook I have lost contact with in real life".	"When I went to Germany for my internship abroad Facebook helped me a lot to strengthen the relationship to new people and to maintain contact with my family".	"I love dancing and I am posting new moves or new choreographies of my dancing group on Facebook in order to share my passion with my friends and to get their feedback".	"To tell the truth I go online to share my life with lots of people via posting photos and status updates and to express my interest in fashion brands via my liked pages".
<b>Summary of Usage motivation reasons</b>	Strengthen friendship relation  Using private groups for university projects	Higher integration in group with recently met people  Strengthen family relationships	More social recognition and status through sharing posts (videos)  More respect from others through sharing posts (videos)	More social recognition through sharing posts (pictures, status)  More status through sharing interests
<b>Usage motivation Interpretation</b>	<b>Social integration</b>	<b>Social integration</b>	<b>Social recognition</b>	<b>Social recognition</b>