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Integrating Adaptation and Standardisation in International Marketing: The AdaptStand Modelling Process

This research consists of a questionnaire survey to the largest UK multinational companies and investigates companies' level of adaptation and standardisation across international marketing tactics. It examines whether multinational companies are adapting or standardising their marketing mix elements when they cross geographical borders and expand their operations to foreign markets. This research identified that both adaptation and standardisation are used at the same time. The level of integration is dependent upon considerations of the relationship between the reasons and elements identified and an understanding of how these are affected by a number of factors. This article proposes a new modelling approach, the AdaptStand Process, which outlines the different stages to be undertaken by multinational companies towards identifying the level of integration across marketing mix elements. Consequently, the results of this research guide marketing practitioners in deciding on implementation of marketing tactics when competing in the international marketing arena.

Keywords: adaptstand, adaptation, standardisation, international, global, marketing

Introduction

The literature on international marketing tactics debates two perspectives. On the one hand, those who support the global standardisation approach argue that a single marketing strategy and a standardised marketing mix should be used in international markets to minimise total costs and promote a global corporate image. On the other hand, those who support the

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internationalisation school of thought who see the need for marketing adaptation to fit the unique dimensions of each local market. However, literature quoting practical evidence suggests that companies make contingency choices which relate to key determinants in each circumstance.

The debate over the amount or extent of standardisation or adaptation of marketing tactics is of long duration.   Vrontis et al. (1999), comment that the debate on this came under discussion as early as 1961, with Elinder (1961) considering the idea with regard to world wide advertising.   In 1962, Marshall McLuhan first coined the term 'global village' (Paliwoda et a.l 1995). This was further discussed by Roostal (1963) and Fatt (1964). Buzzell (1968) widened the debate by stating that it would encompass not just advertising, but the whole of the marketing mix.

Supporters of the standardisation point of view argue that in the past, dissimilarities among nations have led a multinational company to view and design its marketing planning in each country strictly as a local problem. However, in recent years the situation has changed, and the experiences of a growing number of multinational companies suggest that there are real potential gains to consider standardising the marketing mix elements (Buzzell 1968).

Levitt (1983), with whom the term global standardisation has become widely known, argued that well managed companies had moved from emphasis on customising items to offering globally standardised products that are advanced, functional, reliable and low priced.

Supporters of standardisation believe that the force driving this process is technology, which has facilitated communication, information capital, transport, and travel.   Thus the recent resurgence of interest in the international standardisation issue is attributed to such global influences as TV, films, widespread travel/increased tourism, telecommunications, and the computer.

However, the above position (standardisation) is opposed by supporters of the adaptation school of thought, who react directly to the sweeping and somewhat polemic character of their argumentation.   The contrary case argues that globalisation seems to be as much an overstatement as it is an ideology and an analytical concept (Ruigrok et al. 1995).

Lipman (1988) argues that, for many, the global marketing theory itself is bankrupt. Not only are cultural and other differences very much still in evidence, but marketing a single product one way everywhere can scare off customers, alienate employees, and blind a company to its customers' needs. Supporters of this approach believe that international marketing is exciting. Authors such as Czinkota et al. (1998) state that this is so because it combines the science and the art of business with many other disciplines: for example, economics, anthropology, cultural studies, geography, history, languages,

jurisprudence, statistics, demographics, and many other fields are combined in an exploration of the whole world.

Researchers also believe that adaptation is essential as a result of various constraints. Van Mesdag (1987) states that people in different countries speak different languages and that rules and regulations differ across national borders. In addition there are other factors such as climate, economic conditions, race, topography, political stability, and occupations. The most important source of constraints by far, and the most difficult to measure, are cultural differences rooted in history, education, religion, values and attitudes, manners and customs, aesthetics as well as differences in taste, needs and wants, economics and legal systems.

Evidently, the debate on adaptation and standardisation is a huge one. In the middle of the continuum, it is suggested that the exclusive use of either approach is too extreme to be practical. "The truth lies in neither of these two polarised positions. Both processes, internationalisation and globalisation, coexist" (Dicken 1998: 5).

Prahalad et al. (1986) and Douglas et al. (1987) argue that the international marketers should have to search for the right balance between standardisation and adaptation and therefore determine the extent of globalisation in a business and adapt the organisation's response accordingly. They believe that the decision on standardisation or adaptation is not a dichotomous one between complete standardisation and adaptation. Rather it is a matter of degree and there is a wide spectrum in between that the international marketer should be aware (Sorenson et al. 1975; Quelch et al. 1986; Boddewyn et al. 1986).

Based on the above, this research seeks to investigate the complex relationship of the two extreme approaches (adaptation and standardisation) and suggest methods and ways in determining the right level of integration.

Research Hypotheses

An analysis of the literature, led to the formulation of the primary hypothesis (PH):

> Multinational companies are not exclusively adopting international adaptation or global standardisation across their marketing mix elements.

Moreover, this research hypothesises that deciding on international marketing tactics / 7P's is dependent upon a number of determinants. These determinants are grouped into what can be termed: reasons and factors. Reasons are seen as those behavioural aspects 'pulling' multinational companies tactical behaviour towards the one or the other side of the continuum, while factors are those determinants affecting the behaviour and the importance of the reasons pulling it. This is illustrated below in figure 1.
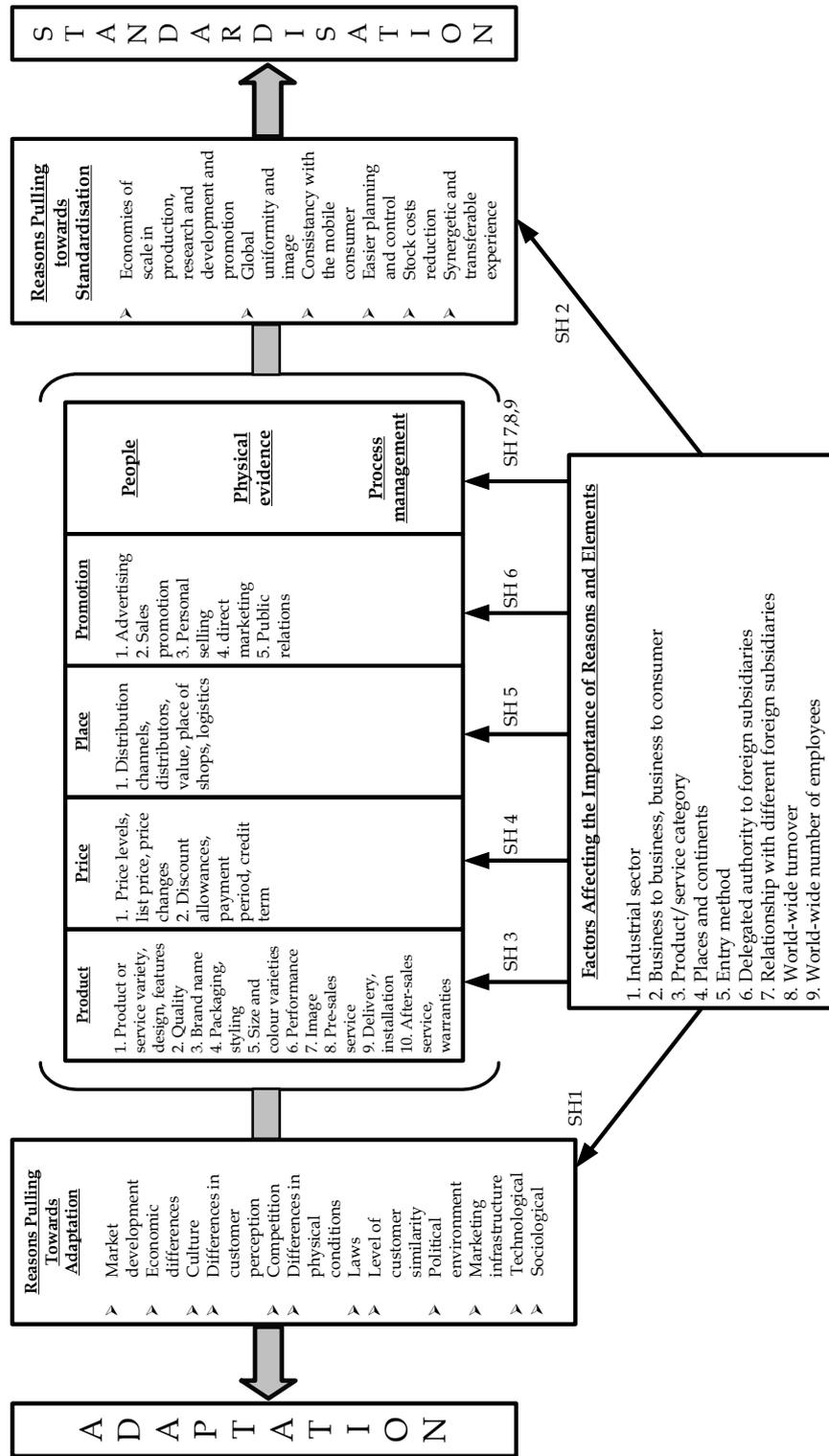
Figure 1. Considerations in Developing the AdaptStand Model (Secondary Hypothesis Formulation)

Figure 1 is important for understanding the complex relationship affecting tactical behaviour. It is paramount and fundamental in setting nine secondary hypotheses (SH). In relation with the above figure, the secondary hypotheses are divided into two parts. Those that test the relationship between reasons and factors ($SH_{1,2}$) and those that test the relationship between factors and tactical behaviour/7P's (SH_{3-9}). The nine secondary hypotheses are outlined below:

SH_1: The level of importance of reasons pulling towards adaptation is dependent on a number of factors.

SH_2: The level of importance of reasons pulling towards standardisation is dependent on a number of factors.

SH_3: Multinational companies' product decisions are affected by a number of factors.

SH_4: Multinational companies' price decisions are affected by a number of factors.

SH_5: Multinational companies' place decisions are affected by a number of factors.

SH_6: Multinational companies' promotion decisions are affected by a number of factors.

SH_7: Multinational companies' people decisions are affected by a number of factors.

SH_8: Multinational companies' physical evidence decisions are affected by a number of factors.

SH_9: Multinational companies' process management decisions are affected by a number of factors.

Research Methodology

The research methodology consisted of a questionnaire survey sent to the 500 biggest UK multinational companies across five industrial sectors (manufacturing, services, transportation & communication, construction and retail & wholesale). The analysis was mainly quantitative and it was undertaken by the use S.P.S.S. and Excel statistical packages. More specifically it utilised chi-square (χ^2) and analysis of variance (ANOVA) statistical tests.

To generate all the relevant information required to test the Hypotheses, a questionnaire survey was believed to be the most appropriate method. This provided an insight into the behaviour of different multinational companies, and allowed an in-depth comparison of their responses, taking into account their organisational characteristics, offerings and target markets.

As the area of this research is international marketing, it was decided that the sampling unit should be comprised of multinational companies that is companies that trade in more than one overseas market. Questionnaires were therefore posted to the biggest 500 UK multinational companies.

The biggest multinational companies were chosen, as their experience and behaviour in international marketing tactics is valuable for the aims of this research. They also account for a very big portion of the total employment and turnover.

Sampling procedure used falls at non-probability sampling and specifically within the category of purposive/judgement sample (Crouch et al. 1996).

The questionnaire utilised both closed and open-ended questions. The closed questions provided a number of alternative answers from which the respondent was instructed to choose (DeVaus 1991), the open questions allowed respondents to give answers in their own way (Fink 1995). The administration of the actual questionnaire was very important and valuable. To encourage respondents reply and maximise response rate, this research has undertaken three follow-ups.

Of these 500 companies, the number of usable respondents was 124, which indicates a response rate of 24.8%. The results were sufficient for statistical analysis and enabled this research to continue.

The number of companies replying to state they were unable/unwilling to fill the questionnaire (negative respondents) was 111, 22.2%. The reasons given were mainly lack of time and company policy and confidentiality. Moreover, 265 companies (53%) were classified as non-respondents as they failed to fill and return the questionnaire. In identifying whether the reasons they did not reply were similar to that of negative respondents, 65 companies were approached. The reasons given reflected that of negative respondents with a greater emphasis to lack of time and confidentiality.

Research Results

Research results illustrated that UK multinational companies use both adaptation and standardisation across their marketing mix elements. Table 1 deals with the 7P's and illustrates the elements and sub-elements of the marketing mix researched in considering standardisation and adaptation and their reported level of importance. The first column outlines the elements under research, the second presents the mean rating, and the remaining three columns illustrate multinational companies' practical level of standardisation and adaptation. It should be noted that in relation to the mean (column two), number one describes complete standardisation and number seven complete adaptation. Any other number lies in the middle of the continuum, with any number below four representing standardisation, and any number above four, adaptation.

Table 1. Tactical Behaviour (Percentage and Mean)

Question: Is your organisation standardising (using the same) or adapting (using different) the following elements of the marketing mix in different countries around the world?

Element researched	Average Rating /Mean (μ) Min=1 Max=7	% Standardisation	% Neutral	% Adaptation
Product/service				
Quality	2.37	78.3	4	17.7
Brand name	2.42	71.8	8.9	19.4
Image	2.54	71	8.1	20.9
Performance	2.65	67	11.3	21.8
Size and colour varieties	2.89	54.1	11.3	21
Packaging, styling	3.25	51.6	9.7	29.9
Pre-sales service	3.78	45.2	12.1	41.2
After-sales service, warranties	3.80	42.8	16.1	38.7
Product or service variety, design, features	3.81	48.4	4	47.6
Delivery, installation	3.81	41.9	12.9	41.9
Average mean	*3.13*			
Price				
Discount allowances, payment period, credit terms	5.02	16.9	25.8	55.6
Price levels, list price, price changes	5.48	12.8	12.9	74.2
Average mean	*5.25*			
Place/distribution	4.39	32.2	16.1	50
Promotion				
Advertising	4.52	28.2	16.9	52.5
Direct marketing	4.53	21	22.6	46
Personal selling	4.57	25.8	18.5	52.4
Public relations	4.60	26.7	17.7	53.3
Sales promotions	4.96	17	19.4	55.7
Average mean	*4.64*			
People	3.90	41.2	19.4	39.5
Physical evidence	3.88	37.9	23.4	35.5
Process management	3.85	46.7	11.3	41.9

In dealing with the different elements of the marketing mix, product is the most standardised element with a mean (μ) of 3.1. This trend is even stronger if we consider product quality (μ=2.37, companies

standardising=78.3%), brand name (μ=2.42, companies standardising=71.8%), image (μ=2.54, companies standardising=71%), performance (μ=2.65, companies standardising=67%), and size and colour varieties (μ=2.89, companies standardising=54.1%). A trend towards standardisation is also seen in packaging and styling, pre-sales and after sales services, warranties, design, features, delivery and installation, however, these sub-product elements incorporate a mixture of responding behaviour with reported means between 3.25 to 3.81.

The price element of the marketing mix is the most likely to be adapted in foreign overseas markets. It has a mean of 5.25, which makes it, the most adapted element of the marketing mix. As exemplified, mainly price levels, list price and price changes (μ=5.48, companies adapting=74.2%), and to a lesser extent discount allowances, payment period and credit terms (μ=5.02, companies adapting=55.6%) are tailored accordingly to fit market needs and requirements.

In terms of promotion, multinational companies' behaviour lean towards adaptation. Multinational companies have reported a mean of 4.64, which makes it the second most adapted element of the marketing mix. This adaptation trend is greater in sales promotions, public relations, and personal selling, and less evident in direct marketing and advertising.

A trend towards adaptation is also seen with place or distribution (μ=4.39). As seen in table 1, 50% of multinational companies that replied mainly use an adapting approach while 32.2% a standardised one.

The mean for the remaining elements of the marketing mix (people, physical evidence and process management) is in the middle of the continuum. As illustrated in table 1, their respective means are 3.90, 3.88, and 3.85.

The above results illustrate that there is a variable approach across international marketing behaviour (marketing mix elements) and that adaptation and standardisation are not mutually exclusive. This contradicts the two extreme schools of thought illustrated in the literature and apparently supports the primary hypothesis (PH).

In dealing with the secondary hypotheses (SH$_{3-9}$) it was necessary to examine whether the above behaviour (see mean in table 1 - related to the centre of figure 1/7P's) is consistent or significantly different across the different factors (see bottom of figure 1) examined.

In accordance to this objective, seven secondary hypotheses (SH$_{3-9}$) were developed early at this study. These were examined by ANOVA (Analysis of Variance) tests and identified that only product and promotional decisions are significantly different across and dependent upon the factors researched. This means that those factors have a direct implication on product and promotional decisions and that the behaviour reported by individual

companies for those elements is statistically different and not close to the mean (average). This verifies the third and sixth secondary hypothesis $(SH_{3,6})$. For the remaining five elements of the marketing mix (price, place, people, physical evidence and process management) it was identified that the reported level of behaviour was not statistically different across different factors. It was found that the reported average level of standardisation versus adaptation was consistent, regardless of organisational characteristics. Consequently, the secondary hypotheses in relation to the above elements $(SH_{4,5,7,8,9})$ were rejected.

As illustrated in figure 1 (top left), a number of reasons force marketing practitioners to adapt international marketing tactics. Quantitative analysis investigates those reasons and presents them in order of importance to the respondents.

It was identified that the most important reasons driving UK multinational companies towards international tactical adaptation are culture, market development, competition, laws, economic differences, sociological considerations and differences in customer perceptions. The remaining four reasons researched were of less importance.

92% of respondents stated that culture is an important reason for them. As they argued, culture should be highly considered when crossing national borders. "Culture. Oh yes! Just ignore it and no doubt you will fail" (company number 440).

Market development (87%), competition (84%), economic differences (78%), and sociological consideration (74%) were also rated a high percentage of importance by companies. All these reasons are crucial and multinational companies are considering them when competing in foreign markets. "Customers cannot afford to pay more. If we want to remain competitive in developing or undeveloped countries, our price should be considerably lower than the one set in the home market" (company number 74).

Laws (82%) and differences in customer perceptions (71%) are also very important. "Our desire to meet differences in customer perceptions and legal standards sometimes force us to redesign our products" (company number 375).

Finally, technological consideration (60%), political environment (53%), level of customer similarity (49%), marketing infrastructure (44%) and differences in physical conditions (39%) were rated a smaller percentage of importance. However, these should not be ignored in any tactical decision making process.

Moreover, a number of reasons (see figure 1 - top right) force marketing practitioners to standardise marketing tactics. Quantitative analysis investigates those reasons and presents them in order of importance, as reported by respondents.

Research analysis pointed that the most important reasons for

standardising are global uniformity and image, economies of scale and synergetic and transferable experience. Consistency with consumers, easier planning and control and stock cost reduction are of less importance.

Global uniformity and image is the most important reason pulling multinational companies towards global standardisation. 81% of companies researched are considering it when crossing national borders. Companies' desire to promote a uniform image around the globe has driven them to consider standardisation of international marketing practices.

75% of the companies questioned stated that economies of scale is an important factor pulling them towards standardisation. Minimising costs in production, research, development and promotion is crucial for a company's profitability. "Economies of scale is the key to success. End products cost less per unit, therefore we gain bigger margins and remain competitive and profitable" (company number 343).

Synergetic and transferable experience is the third most important reason for global standardisation with 74% of companies considering it. "We know how to do things right in England. Why should we do them otherwise abroad?"

Finally, consistency with the mobile consumer (52%), easier planning and control (48%) and stock costs reduction (43%) have acquired a smaller percentage of importance.

The question now in hand is whether the above level of importance, associated with the reasons pulling towards adaptation (see figure 1 – top left) and standardisation (see figure 1 – top right), is consistent or significantly different across different factors (see bottom of figure 1) investigated ($SH_{1,2}$).

In dealing with these secondary hypotheses ($SH_{1,\ 2}$), research findings, already discussed, identified that a number of reasons pull tactical behaviour towards adaptation (e.g. culture, market development - see top left of figure 1) and standardisation (e.g. global uniformity, economies of scale - see top right of figure 1). χ^2 tests indicated that multinational companies often place a different level of importance on these reasons. This is dependent upon a number of factors that are directly related to companies' organisational characteristics and the way in which they operate (e.g. industrial sector, business to business versus business to consumer – see bottom of figure 1). Consequently, the first and second secondary hypotheses of this study ($SH_{1,\ 2}$) are verified.

It is possible to show the research results related to the verification/rejection of the primary and secondary hypotheses in table form, table 2.

Table 2. Hypotheses

Research Hypotheses	Verified	Rejected
Primary hypothesis (PH) Multinational companies are not exclusively adopting international adaptation or global standardisation across their marketing mix elements.	✔	
Secondary hypothesis 1 (SH$_1$) The level of importance of reasons pulling towards adaptation is dependent on a number of factors.	✔	
Secondary hypothesis 2 (SH$_2$) The level of importance of reasons pulling towards standardisation is dependent on a number of factors.	✔	
Secondary hypothesis 3 (SH$_3$) Multinational companies' product decisions are affected by a number of factors.	✔	
Secondary hypothesis 4 (SH$_4$) Multinational companies' price decisions are affected by a number of factors.		✔
Secondary hypothesis 5 (SH$_5$) Multinational companies' place decisions are affected by a number of factors.		✔
Secondary hypothesis 6 (SH$_6$) Multinational companies' promotion decisions are affected by a number of factors.	✔	
Secondary hypothesis 7 (SH$_7$) Multinational companies' people decisions are affected by a number of factors.		✔
Secondary hypothesis 8 (SH$_8$) Multinational companies' physical evidence decisions are affected by a number of factors.		✔
Secondary hypothesis 9 (SH$_9$) Multinational companies' process management decisions are affected by a number of factors.		✔

Main Findings and Conclusions of this Study

The recurrent theme in international marketing in whether companies should aim for a standardised or country-tailored marketing approach is very much debated in the academic literature and is a concern for every multinational company and marketing practitioner.

   When facing the dilemma of implementing marketing tactics, it was found

that the researched UK multinational companies integrate the processes of adaptation and standardisation.

Marketing directors and managers are not making a one-time choice. UK multinational companies operating in several countries find it extremely useful to integrate marketing tactics. Multinational companies simultaneously focus their attention on aspects of the business that require global standardisation and aspects that demand local responsiveness. When appropriate processes are standardised, however, operation in local market necessitates the maintenance of the appropriate local flexibility. UK multinational companies are striking to find a balance. This is not a straightforward task, and as identified, the balance between standardisation and adaptation is very difficult to achieve and indeed is very challenging.

According to the findings of this research, 'product' is the most standardised element of the marketing mix. Dealing with the remaining elements of the marketing mix, 'price' and 'promotion' are the most adapted ones. Finally, companies' tactical behaviour regarding 'place', 'people', 'physical evidence' and 'process management' is concentrated in the middle of the continuum.

It is identified that the huge costs involved in the use of an international adaptation approach, together with the multinational companies' desire to reap the benefits of standardisation do not allow international adaptation to be used in an absolute manner. Similarly, organisational differences, heterogeneity among different countries' macro and microenvironment as well as companies' desire to satisfy consumer's diverse needs do not allow standardisation to be practised extensively, as suggested in the literature.

Specifically, this research has identified that a number of reasons including primarily culture, market development, competition, laws, economic differences, sociological considerations and differences in customer perceptions have highlighted the need for companies to adapt their marketing tactics, while global uniformity and image, economies of scale, and synergetic and transferable experience sways them towards standardisation. Other reasons pulling tactical behaviour towards adaptation or standardisation were also examined. As identified these reasons are of less importance, however they cannot be ignored.

This research found that the different factors examined are significant in shaping the behaviour of multinational companies. Dealing with (SH_1), for example, this study identified that reasons pulling towards adaptation are more important to the 'business to consumer' sector rather than 'business to business' sector as a result of the more heterogeneous needs and wants found in consumer markets in comparison with business markets. Moreover, research findings identified that the reasons for adaptation are more important for companies trading in 'more than one continent' rather than

those trading only in 'one continent'. It is worth mentioning that companies expanding within the same continent consider the underlying reasons, however the associated level of importance is less if compared with companies that expand operations in more than one continent.

Dealing with (SH$_2$), this research examined the importance of reasons pulling companies towards standardisation across different factors.   It identified that both global uniformity & image and consistency with the mobile consumer are more important to 'consumer durables', 'consumer non-durables' and 'services' rather than 'industrial goods'.   The above indicates that both reasons pulling towards standardisation are more significant to consumer goods (i.e. clothing, toiletries, fragrances etc) and services, rather than industrial goods (i.e. components, raw materials, finished products) were goods are bought and used by companies.

The empirical results obtained in this research showed that UK multinational companies integrate both approaches (adaptation and standardisation) in their effort to increase organisational profitability and maintain marketing orientation.

In relation with the marketing mix elements (see means in table 1) it was found that only product and promotional decisions are significantly different (individual behaviour not close to the mean) when compared with the factors researched (see figure 1). The behaviour on the remaining elements of the marketing mix is still variable, but not statistically significant across factors. This verified the third and sixth secondary hypotheses (SH$_{3,6}$).

Dealing with product decisions (SH$_3$), for example, it is indicated that companies trading 'consumer durables' adapt packaging & styling and size & colour varieties in different countries to conform to consumer needs and requirements.   The above sub-factors are less important with regard to 'industrial goods (finished products)', where product decisions need less adaptation.   Moreover, by examining the factor 'places and continents', it was evident that multinational companies that trade in only 'one continent' generally standardise the products' pre sales service, after sales service, delivery, installation and warranties more than companies that trade in 'more than one continent'. It may be argued that these sub-elements of product need more adaptation when competing outside the existing continent and less when dealing with similar markets within the same continent. It could be claimed that a successful standardised marketing approach relies on markets being similar. If the markets are not sufficiently similar, the underlying rationale for standardisation disappears. Market research is therefore crucial to test the assertion of market homogeneity across nations and make sure that the markets under consideration will respond positively to a standardised approach. If not, especially when a company is crossing continents, then all necessary adaptations should take place. In addition, research findings illustrated that product standardisation

is more feasible when 'exporting' directly, and adaptation when 'direct investment' and overseas production is taking place. The same is also the case for promotional decisions.

Expanding the discussion on promotional decisions (SH_6), it is identified that advertising is less adapting in 'transportation and communication' and more adapting in 'retailing and wholesaling'. Equally, businesses that sell mainly to consumer markets ('business to consumer') adapt promotion more than those that sell to other businesses ('business to business'). In both instances it can be argued that promotional adaptation is necessary to appeal to and meet the diverse needs found in consumer markets.

The secondary hypotheses set for the remaining elements (price, place, people, physical evidence and process management) are rejected ($SH_{4,5,7,8,9}$). This research identified that there was no significant difference around the mean when comparing the above elements of the marketing mix with the researched factors (see figure 1).

It is therefore evident that multinational companies should not treat the world as one single market. They should undertake market research and determine their customers, their needs and wants. They should get to know their customers, understand their problems, and maintain customer orientation. Equally, they need to be aware and highly consider the unique benefits of standardisation. Each element and sub-element of the marketing mix has to be studied on its own merits and shortcomings. Applying generally preconceived ideas for or against standardisation and adaptation in not very helpful, as in practice the level of integration necessary has to be applied in ways that take account of given circumstances.

A Suggested Modelling Approach: The AdaptStand Process

Even though international adaptation and global standardisation of marketing tactics do take place, and can bring benefits, their extreme use is not necessarily an optimal approach in international markets. This research has illustrated that both processes coexist and neither total adaptation nor complete standardisation represents business responses. Consequently, the decision on tactical behaviour is not a dichotomous one between complete standardisation and customisation. The choice concerning these two polarised positions is a matter of degree.

Specifically, a number of reasons, examined in this research, 'pull' tactical behaviour towards adaptation and standardisation. Research results identified that these hold a different level of importance for UK multinational companies based on a number factors related to the organisational and operational characteristics of every individual company (see figure 1).

In addition, it should be highlighted that the reported level of integration, across the marketing mix, is significantly different across factors only for

product and promotion.

    The decision on the degree/level (integration) of adaptation and standardisation in international marketing tactics, after considering reasons pulling and factors affecting marketing mix elements, is what this research will now refer to as AdaptStandation.   The process of deciding on AdaptStandation is called the Vrontis AdaptStand Process.   This is the name given to the new modelling approach to international marketing.   The AdaptStand Process is defined as the process of integrating Adaptation and Standardisation in international marketing tactics.   It is a mechanism that seeks to aid marketers to decide on the level of integration.   This decision could only be made after an in-depth consideration of reasons pulling and factors affecting marketing behaviour.   As already described, reasons are seen as those behavioural aspects pulling multinational companies tactical behaviour towards the one or the other side of the continuum, while factors are those determinants affecting the behaviour and the importance of the reasons pulling it (see figure 1).

Figure 2. The Vrontis Triangular Pyramid of AdaptStand Integration

This process is presented in figure 2 in the Vrontis Triangular Pyramid of AdaptStand Integration developed in this research. According to this, there are three critical forces/stages in the AdaptStand Process that guide a multinational company towards AdaptStandation. At the bottom of the Pyramid are the reasons shaping AdaptStandation. These are closely related with multinational companies' desirability and capability of utilising the global benefits and underpinned by the external environmental constraints. At the top of the Pyramid are the organisational factors that affect the importance of the reasons and the tactical behaviour associated with product

and promotion. This is best described as the B.E.S.T R.E.A.C.T. model and it is presented in figure 3. The Pyramid describes the AdaptStand Process and highlights the three important areas to be considered by multinational companies when deciding on the level of AdaptStandation. As the level of AdaptStandation is dependent upon these three forces, it is therefore presented in the centre of the Pyramid.

The first stage in the Process, in relation to the Triangular Pyramid, is concerned with identifying organisational and operational factors. This is presented at the top of the Pyramid (figure 2) and expanded below in figure 3 in the 'easy to remember' B.E.S.T. R.E.A.C.T model.

According to the findings of this research, as already discussed, the above factors (B.E.S.T. R.E.A.C.T.) should only be considered for 'product' and 'promotion' (see arrow at the top of the Pyramid at figure 2 pointing AdaptStandation of the Marketing Mix). This is because only product and promotional decisions were found to be significantly different when compared with these factors (see figure 1).
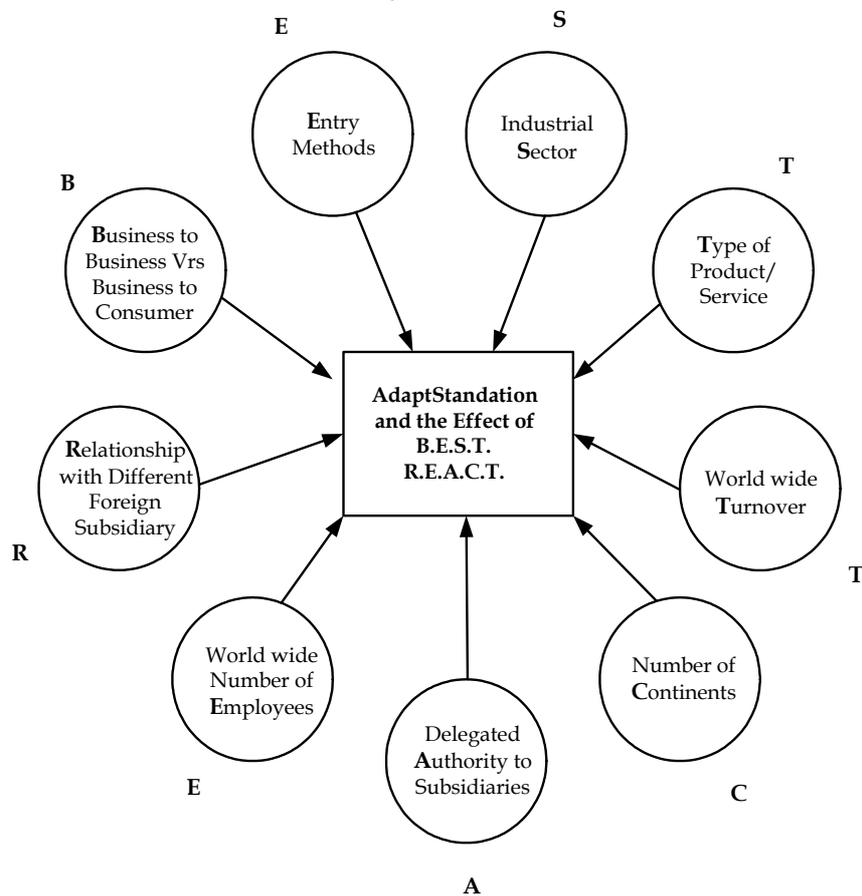

Figure 3. The B.E.S.T. R.E.A.C.T. Model of AdaptStand Integration

In relation to the remaining tactical elements, it was identified that the factors under examination are not important, as this study identified no significant difference in relation to the applied level of integration. It is therefore important for multinational companies to understand their organisational position within the market in regard to those factors. This is because a different pattern of organisational characteristics would automatically mean a different product and promotional behaviour.

Moreover, this study illustrated that the factors (B.E.S.T. R.E.A.C.T.) examined were also significantly different with regards to the importance of the reasons pulling adaptation and standardisation of marketing tactics (see arrows at the top of the Pyramid pointing Industrial Environmental Forces and Desirability/Capability of Adopting Global Benefits).
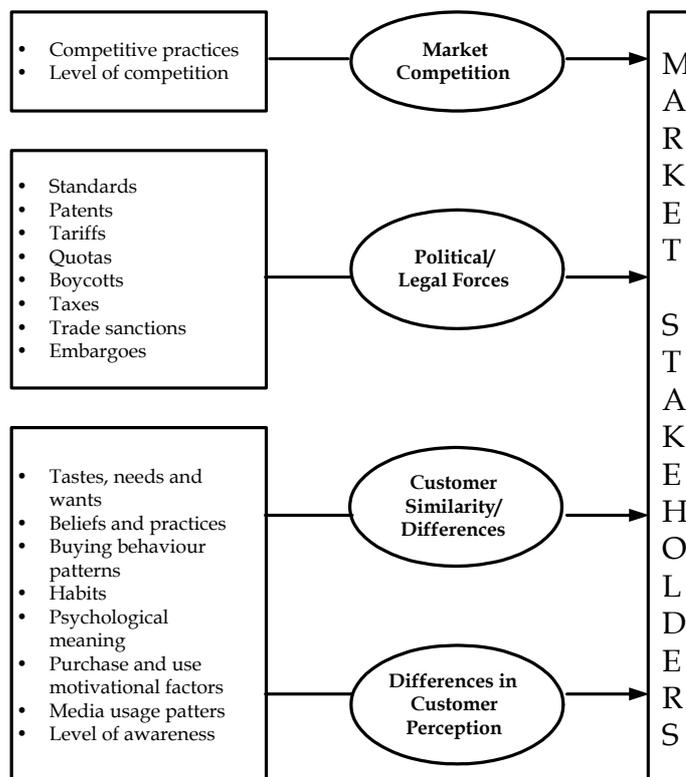

Figure 4. Market Stakeholders

The external environmental factors (left bottom of the Pyramid) are grouped into two broad areas, namely 'market stakeholders' and 'market environmental conditions'. 'Market stakeholders' is divided into four areas. These are: market competition; political and legal forces; customer similarity;

and differences in customer perception. In this category we find all the stakeholders that affect behaviour and could necessitate marketing mix elements to be tailored either as a government imposed market entry requirement or as a result of competition or customer marketing orientation. This is illustrated in figure 4.

Market environmental conditions' is equally important. This category (see figure 5) is divided into five areas. These are physical conditions; culture; market development; economic differences; and marketing infrastructure. It is constituted by other external environmental forces that should be highly considered when making decisions on marketing mix formulation in the international arena.
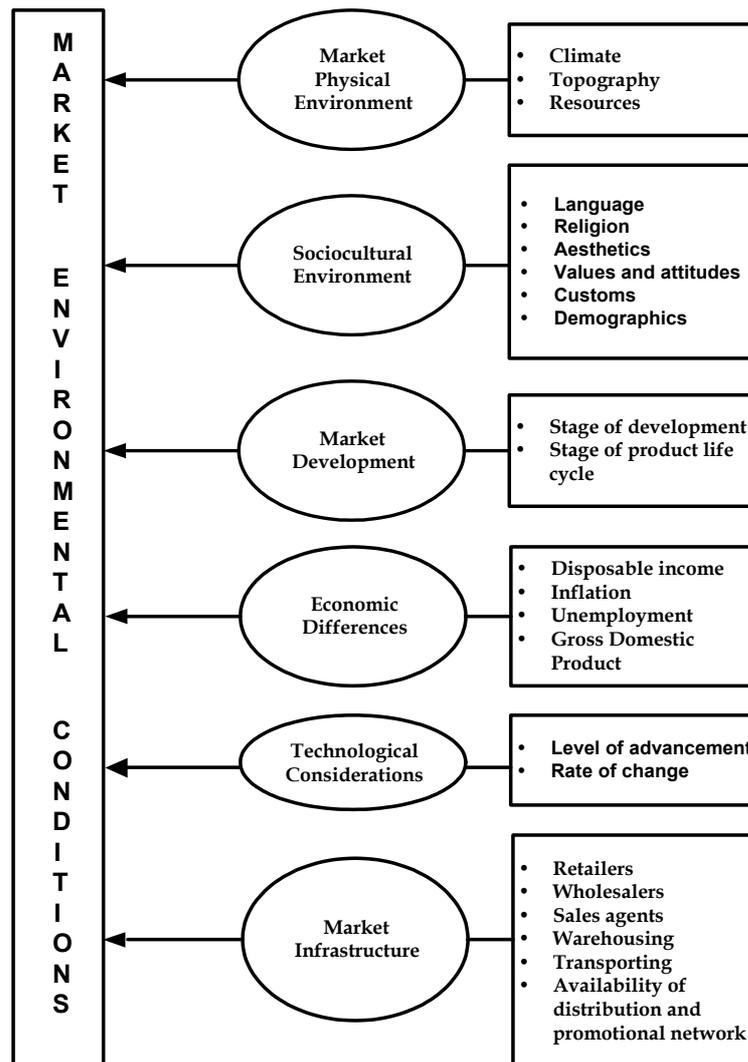

Figure 5. Market Environmental Conditions

Multinational companies should undertake an in-depth investigation and identify the market stakeholders and market environmental conditions (industrial environmental forces - left bottom of the Pyramid) that could influence their tactical behaviour (middle of the pyramid). Equally important they should consider the effect deriving from organisational and operational factors (B.E.S.T. R.E.A.C.T. - presented at the top of the Pyramid). 'Industrial Environmental Forces' is the second fundamental stage of the AdaptStand Process. It is illustrated below in figure 6.
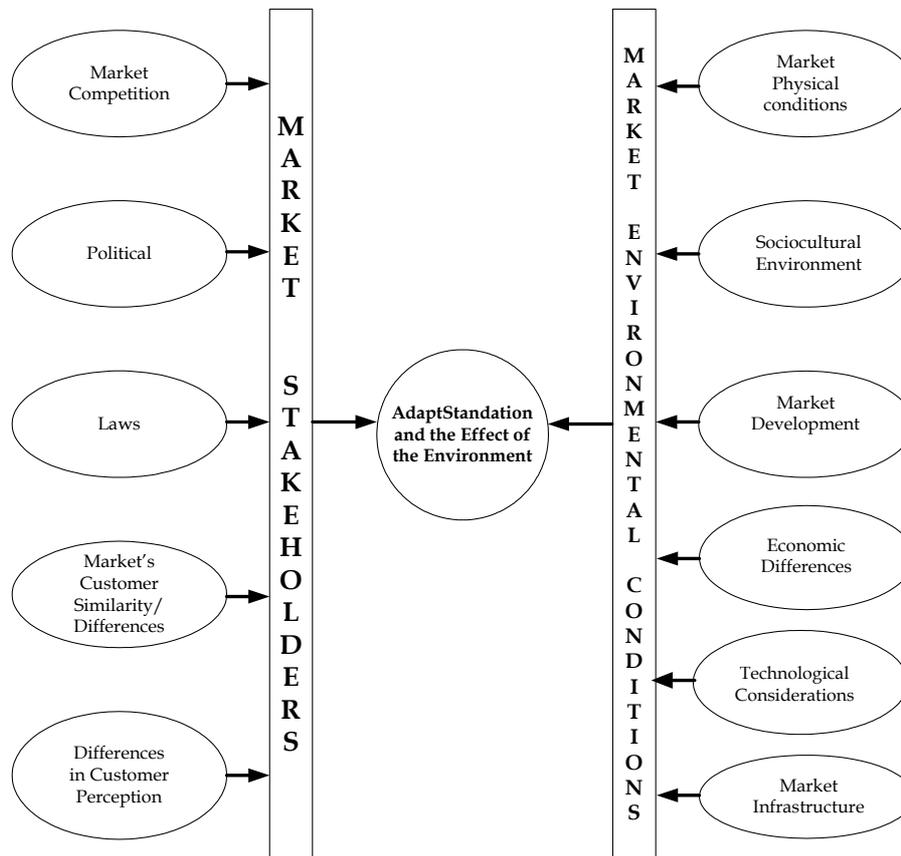

Figure 6. External Environmental Factors of AdaptStand Integration

The third and final stage of the Process is concerned with companies' capability and desirability of adopting and taking advantage of global benefits (see right bottom of the Pyramid). Through the analysis of this study, it was identified that a number of reasons, variably rated on level of importance, pull UK multinational companies tactical behaviour (see middle of the Pyramid) towards standardisation. Equally, an examination of these reasons highlighted that they are significantly different across a number of

factors researched (B.E.S.T. R.E.A.C.T. - see top of the Pyramid). These reasons and the effect of factors should be highly considered by multinational companies when entering or competing within foreign markets. This is the third and final stage of the Triangular Pyramid and it is a prerequisite step in the AdaptStand Process. It is outlined below at figure 7.

Having considered all three stages of the AdaptStand Process, a decision can then be made on identifying and deciding on the level of integration. The identification and implementation of marketing tactics, on the basis of the AdaptStand Process, is of primal importance as it can eliminate problems created by using solely the one or the other approach. It is essential as it increases the chance for multinational companies to remain both competitive and marketing orientated within their industrial structure and international marketing arena.
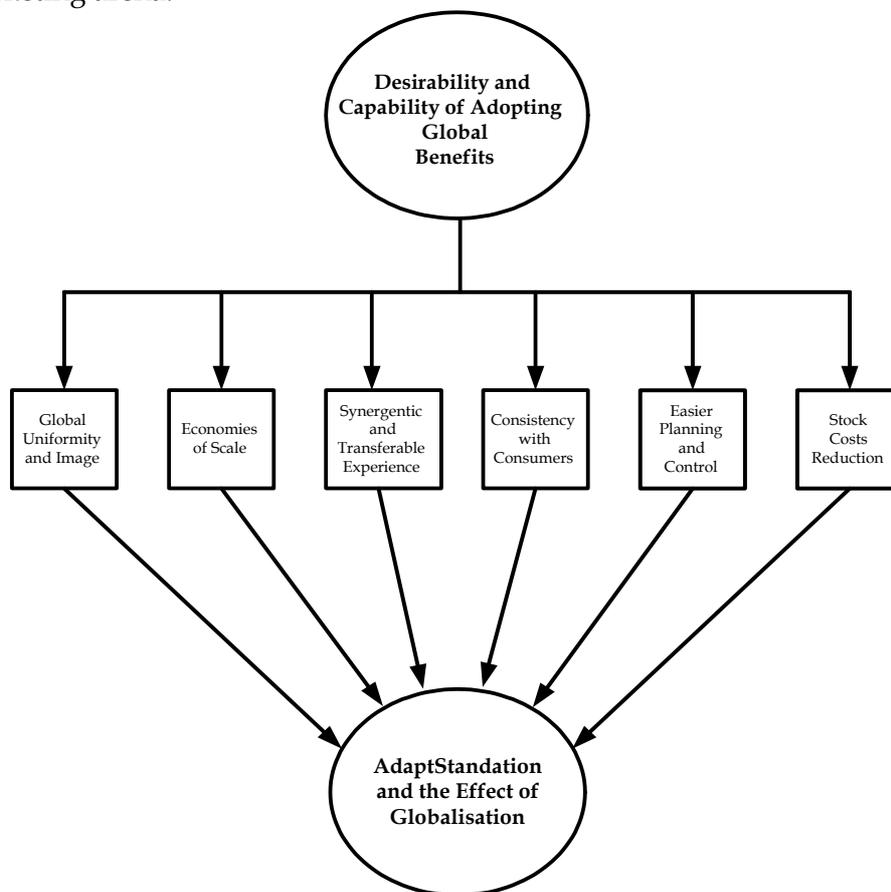

Figure 7. AdaptStand Integration and the Desirability/Capability of Adopting Global Benefits

This is true as a detailed in-depth consideration of the AdaptStand Process could increase organisational cost effectiveness without undermining consumer requirements and other micro and macro-environmental constraints evident in the situation analysis.

Managerial Implications

It is anticipated that the findings of this research (the AdaptStand Model) carry implications not only for the literature, but also for international marketing practitioners. As this research was based upon the practical experience and behaviour of UK multinational companies, marketing practitioners can use its analysis and results as a means of comparing their current tactical behaviour with that of other similar companies. Corrective action can then be taken, if and when necessary.

Multinational companies should undertake an internal and external environmental analysis to identify a company's organisational position and industrial obstacles in a single market. This would then allow a comparison of the tactical behaviour of the company under examination with that of other similar companies. Any difference observed in behaviour, when comparing the two, could suggest corrective action and lead to the improvement of the approach currently in use.

The benefits deriving from globalisation should also be considered. However, while it is logical to standardise where possible, unwarranted generalisations from one marketing situation to another should be avoided as every market and every customer could be different. Marketing practitioners should understand that there is a fine line between the benefits of utilising a standardised approach, when possible and desirable, and the risks of seeking a level of demand homogenisation.

Multinational companies could be more successful if the world was not treated as one single market. Standardisation should only be enforced when it is not contradicted with the theme of marketing orientation and customer satisfaction. This is essential as a great deal of macro and micro external environmental constraints and organisational differences may imply a different practical, and indeed tactical behaviour, in different international markets.

It is therefore beneficial for multinational companies to consider the Triangular Pyramid of AdaptStand Integration, including the B.E.S.T. R.E.A.C.T. organisational model, the external environmental factors, and the capability and desirability of adopting the global benefits that underpin it.

The outcome of this research provides marketing directors and managers with an overview of what influences marketing tactical behaviour in international markets. On this basis, marketing practitioners will be better able to identify the importance of the reasons, factors and elements of the

marketing mix and any significant difference between them relevant to their situation. An understanding and consideration of the AdaptStand Process could benefit and aid UK multinational companies in formulating and implementing international marketing planning and tactics.

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