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REVIEW ARTICLE
Marketing

Global Product Category Strategies

ABSTRACT

In international marketing, standardizing the marketing mix in global markets will provide businesses with significant cost advantages; However, the fact that consumer demands and needs, market and competition conditions, marketing institutions, geographical requirements of countries, laws, technology, culture and many other environmental factors differ according to countries create an obstacle for global businesses to develop their standard marketing mix. Marketers are asked to decide whether to standardize the product or replace existing products, which is one of the difficult decisions they have to make, and this decision may affect the organization in terms of research and development expenditure, finance, production, organizational structure, purchasing, product, price, distribution, and promotion. Here, we must consider which decision will be made depending on the attitudes toward different cultures. Levels of standardization or adaptation of each of the following elements are suggested as critical success factors that directly affect business success in the new market: Market entry strategies, brand strategies, standardization strategy, degree of adaptation, export, investment strategy, mixed product strategy, a combination of global and local which is glocalization strategy, new product strategy, and marketing mix.

Keywords: Standardization strategy, Adaptation strategy, Investment strategy, Glocalization, Mixed product strategy, New product strategy

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INTRODUCTION

There are many branded products and services worldwide, but this does not mean that brands are perceived similarly in every culture. Although brands such as Coca-Cola, Sony, McDonald's, British Airways, and Singapore Airlines are known worldwide, they have different meanings for every culture. The fact that the foregoing brands can be present worldwide at the same time proves that different products can be sold even with a purely universal message.

This is not meant to be an indication of what they mean in the different cultures they are in. Arguments to the contrary are often based on superficial evidence, such as the similarity of what people wear and eat and is often erroneous inference. Because it is inherent in the deeper values that lie beneath it. Such an approach results in ignoring the values that determine the individual's behavior. It has been portrayed that such an approach will cause a step back in marketing by turning the marketing clock into an older era called "mass marketing" globally.

Thus, although Levitt's approach was logical then, it has become more moderate over time. Much as the world economy is entering a phase where no nation can protect itself regarding international dependence and relations, this does not mean global dependency, unification of markets, and universalization of marketing and advertising practices. Cultural, political, and economic differences separate nations and form unified market segments. Many thinkers have demonstrated that globalization does not necessarily require the standardization of the global marketing mix. Consumption of a product is a function of income and many other cultural factors. Moreover, only non-economic factors can explain the different consumption patterns in two countries with similar income levels.

The consensus approach reflects the proactive willingness of a global business to act with a global perspective in potential markets and to glocalize when necessary, that is, to think globally and act locally.

Category management is a field that many people and institutions think, write, and try to research. In the West, category management in chain stores and sales points selling consumer products has turned into a science. It has reached widespread use from the food and beverage industry to music stores and car dealerships. For instance, within the food and beverage industry, which covers complex issues, category management has been used in many different areas, from the selection of the product mix offered to the customer to the pricing and product determination according to the order selection that changes based on the customer's entrance time to the restaurant.

GLOBAL PRODUCT CATEGORY STRATEGIES

This section covers the following topics: standardization strategy, degree of adaptation, export, investment strategy, mixed product strategy, the combination of global and local: glocalization, and new product strategy.

Standardization Strategy

Standardization is the process of setting specific rules and implementing these rules with the contribution and cooperation of all parties so that certain work can be accomplished for the benefit of those involved in that work, especially the national economy (www.kirklareli.edu.tr).

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Positive Effects of Standardization

The main benefits of international standardization include: the utilization of scale economies, significant cost savings, lower unit cost, improvement in planning and distribution channels, reduced logistics costs, and excellent control over national borders.

As a result of standard production, many products will be produced to reduce unit costs and provide competitive power to businesses by providing a cost advantage. Economies of scale will also apply to cost containment activities. Companies will provide market efficiency by reducing their costs with standardized advertising activities. Operating with a standard product in the entire market will increase the control possibilities of a central administration. In this way, since there will be a decrease in strategic planning efforts, a reduction in management costs can be expected (Saglık and Tutadze, 2007: 11 and Ozer, 2003: 5).

It is generally accepted that country-specific standards are an obstacle to trade and that if these standards are harmonized, they will increase trade. However, some studies have demonstrated that in some cases these differing standards have contributed to increased trade. The main reason in this regard is that once the products are produced according to the differing standards in another market, these standards turn into an advantage for the manufacturer companies and the cost of harmonization of the product is reduced thanks to more trade (Saglık and Tutadze, 2007: 11).

However, it becomes difficult to implement the standardization strategy when there are changes in the environmental regulations, product safety standards or local conditions that foreign enterprises are obliged to comply with (Ekmekci, 2013: 106).

Considering consumer similarities in countries according to standardization, the goods or services in question can meet the needs of these consumers in the same way. Thus, there will be no change in the essence of the good or service, and the same advertising campaign can be adopted in all countries.

In general, supporters of standardization believe that the center can develop the best and most accurate advertising campaign, and they state that this will bring various benefits. These benefits can be listed as follows (Kirdar, 2005: 238):

- ✓ Significant cost savings by standardization: It can naturally be much cheaper than preparing separate campaigns for several markets.
- ✓ Ease of planning and control: In standardization, the center undertakes the decision-making process. For example, the advertising agency will send the advertisement it has prepared in its center for the goods or services to other countries. This will make the job of both the advertising agency and the advertiser easier. Moreover, the advertiser will have broader control this way.
- ✓ Creating and developing a single image for the advertised good or service: It is suggested that it would be more appropriate to create a single image for the promoted good or service due to the increase in international travel and the internationalization of the media in standardization.

Considering that the cost of shooting a commercial film reaches billions, the benefits of standardization of advertising activities can be easily noticed. Standardization of the product and message as much as possible will give confidence to the consumer and facilitate his recognition of the product. For instance, there is a significant tourist flow among European countries, and the consumer buys a familiar brand wherever they go.

Negative Effects of Standardization

Along with the benefits of standardization, there are also potential drawbacks. Some scholars say the standardization strategy is effective only in certain situations. These situations include having market segments, communications, and transportation infrastructure to deliver global business supply to target customers worldwide.

The foremost among the main shortcomings of the standardization approach is to be more product-oriented than customer and competitor oriented. Being product-oriented can lead to the risk of not meeting the demands and needs of consumers. The company emphasizes the product's price, on the other side; it may overlook the special requests and needs of consumers from different countries. This is because even if the product's price is lower, the consumer can pay a slightly higher price and turn to the product that will better meet their demands and needs (Ekmekci, 2013: 106).

Regarding product types, standardization is evaluated over consumer and industrial products. Consumer products are handled separately as non-durable and durable (Sahin, 2013: 53):

- ✓ Applicability of standardization in non-durable consumer products (e.g., food sector) is very difficult due to national tastes and local habits.
- ✓ As for consumer durables (cameras, watches, and portable radios), it may be possible to develop a standard strategy.
- ✓ In industrial products, the standardization strategy can be 100% applicable.

Enabling all world consumers to demand high-tech products in the same vein, the development of technology has led to the unification of consumer groups. This facilitates the application of standardization to consumer durables goods. For example, the most up-to-date product achieved by the telecommunications industry is smart mobile phones. An iPad brand tablet computer is in demand worldwide. In this way, Apple, the brand owner, can appeal to all markets with a standard product (Sahin, 2013: 55).

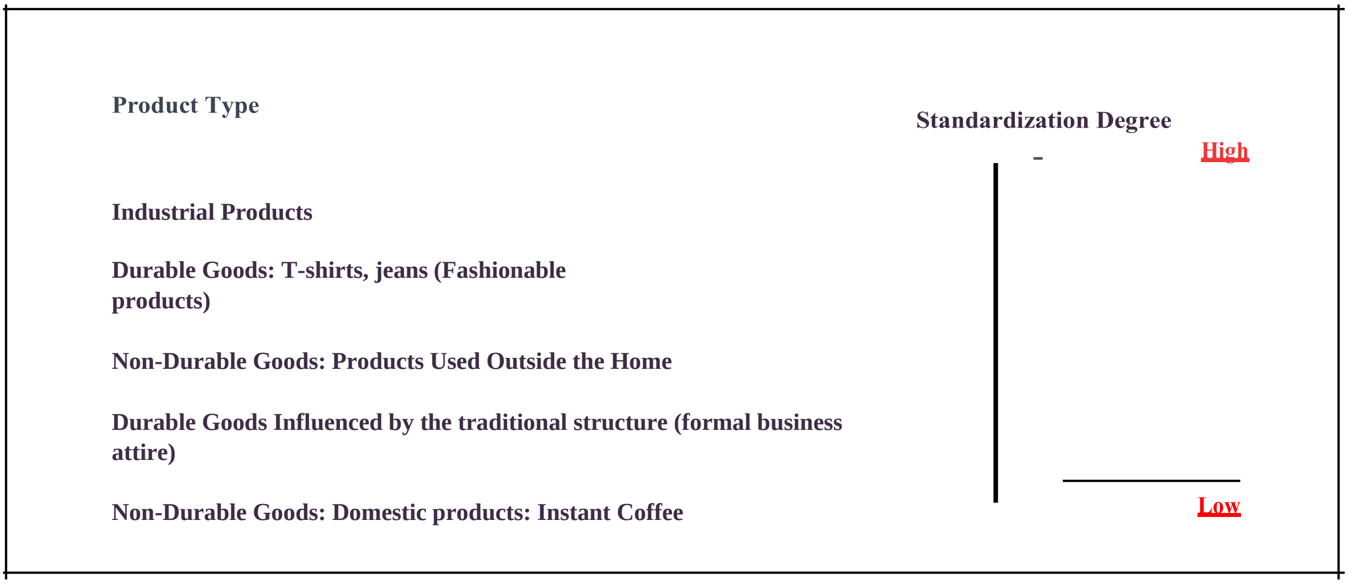

Figure 1: Product Type and Degree of Standardization
Source: (Sahin, 2013: 56)

For example, Unilever achieved great success with its softener bearing the teddy bear symbol, acquiring the name Yumos in Türkiye, with a similar positioning and advertising message.

Toyota is a Japanese company, and Citroen and Peugeot are French companies and rivals. However, these rival companies manufacture Toyota Aygo, Citroen C1, and Peugeot 107 vehicles in the same factory in the Czech Republic. With these three models, these companies are in fierce competition in the market and appeal to the same people because they are in the same segment of cars.

McDonald’s, the world's largest retailer, has had an incredible impact on land and environmental use. Newsweek magazine recently pointed out that the urban periphery has copied fast food tactics: Just as more significant portions are intended to fuel more consumption, the average nuclear family accommodation has nearly doubled over the past three decades, even as household populations have dwindled. Once gastronomic analogies reflect the unique character of the place, continuity rather than difference becomes the quality criterion. Travelers are now looking for a familiar theme that reminds them of the comfort of their home wherever they go. This 'familiar' implies none other than the yellow McDonald’s logo 'Golden Arches,' which is even more familiar than any religious symbol according to surveys. McDonald’s slogan, 'One Taste in the World,' can be dedicated to its buildings and food.

Objectives and Principles of Standardization

The most obvious of the main objectives of standardization is to achieve the optimum of the entire economy. Thus, it is designed as a national standard that includes all possible national initiatives and efforts for all departments of the companies concerned. The situation is a little more complicated at the international standards level, but the basic principles remain the same. This means that it is necessary to aim for the maximum economic benefits of all world countries. According to ISO, the purposes of standardization are as follows (Guzel, 2010: 17):

- ✓ To ensure that the ratio of labor, raw materials, energy and similar inputs to outputs is at an economic level,
- ✓ To ensure that the goods produced according to the needs of the consumers are produced above a certain quality level,
- ✓ To supervise compliance with safety and health rules for humans,
- ✓ To help many of the organizations that are connected with each other to establish relationships,

- ✓ To prevent unnecessary spending of the consumer in material selection by increasing the variety of goods in order to meet the needs of society and consumers,
- ✓ To reduce the problems related to customs and commercial regulations for the purchase and sale of goods produced in cooperation with international organizations.

As a result of the dizzying progress of humanity in every field, social life is getting more and more complex. Aiming to reduce this complexity, standardization has to set some principles. The principles of standardization can be summarized as follows (www.kirklareli.edu.tr):

- ✓ If standardization is a simplification that results from conscious efforts, it should reduce the number of objects.
- ✓ If standardization is a social work as well as an economic one, it should be carried out with the contributions and cooperation of all concerned and should be generally accepted.
- ✓ The Standard, which is a work of standardization studies, must have been published and found an application area.
- ✓ The standard must have been determined as a result of a selection made among various alternatives. However, this does not mean that the standard will never change again.
- ✓ The standard should be reviewed at regular intervals and revised if necessary so that it is appropriate for the conditions of the day.
- ✓ If the standard has determined the operation or properties of any good, it should also include the test methods that will enable that good to be tested according to these. If the test method also requires sampling, the number of samples to be taken and the sampling times should be determined.
- ✓ The nature of that standard, the industrialization level of the country, the relevant legal situation and the special conditions of the companies to which the standard is related should be taken into consideration at the stage of the decision to implement the standard.

Benefits of Standardization to Producer, Consumer and Economy

The Benefits of Standardization to the Manufacturer can be listed as follows (Kara, 2013: 34):

- ✓ Helps to make production as per certain plans and programs.
- ✓ Allows suitable quality and mass production.
- ✓ Minimizes lost and leftovers.
- ✓ Increases productivity and revenue.
- ✓ Facilitates storage and transportation, reduces stocks.
- ✓ Reduces the cost.

The Benefits of Standardization to Consumers can be listed as follows: (Kara, 2013: 35):

- ✓ Ensures the safety of life and property.
- ✓ Provides ease of comparison and selection.
- ✓ Prevents deception in terms of price and quality.
- ✓ Provides cheapness.
- ✓ Protects mental health. It prevents stress.
- ✓ Plays an effective role in raising the awareness of the consumer.

The Benefits of Standardization to the Economy can be listed as follows (Kara, 2013: 34):

- ✓ Promotes quality and eliminates the waste of labor, time and raw materials that can occur with low-quality production.
- ✓ Directs the industry towards certain targets. It helps to improve the quality in production.
- ✓ Helps in balancing supply and demand in the economy.
- ✓ Eliminates misunderstandings and disagreements.

- ✓ Provides advantages in export and import.
- ✓ Helps to establish and develop sub-industry branches.
- ✓ Encourages competition.
- ✓ Removes bad quality goods from the market.

Adaptation Strategy

Adaptation (harmonization), an option for preparing different marketing programs, is defined as making a product or brand explicitly developed for domestic markets suitable for foreign markets. In this case, although the main benefit from the product remains, it is possible to produce products that meet the demands and needs of consumers in the foreign market by making differentiation in the additional features to be offered. Although businesses that want to open up to international markets wish to operate with a standard product, companies are forced to act locally in global markets due to the continuation of the differences between requests and need in different countries. In this case, adaptation is inevitable for most companies against a standard product. One of the important examples in this regard is that wide American cars cannot be marketed in European countries with narrow and winding roads due to their lack of maneuverability. Therefore American automobile manufacturers produce cars considering the European road conditions (Ekmekci, 2013: 106-107).

Adaptation is both a dynamic and a static concept. This feature refers to the idea of change and the situations that result in change but also depends on whether it refers to the change process or the results of the change process. The concept usually refers to moving from one state to another. There is consensus on Philip's definition of adaptation. According to Philip, adaptation is the individual's changing his behavior to adapt to local customs and traditions (Karaeminogullari et al., 2009: 332-333).

When it comes to the concept of intercultural adaptation, it is expressed as the ability to adapt to life in another culture or to establish relationships with members of another culture. This ability is essential in many career fields (for example, healthcare professionals). Intercultural adaptability can be defined by certain reactive behaviors required by people working in modern and change-oriented organizations, especially in international environments. Intercultural abilities are often explained through an individual's behavioral expressions and characteristics. When the profile of a successful individual is defined in terms of intercultural adaptation, the following are the most critical determinants: respectful, flexible, patient, interested, curious, open, empathetic, having a sense of humor, tolerating uncertainty, being motivated, and evaluating individuals after a certain period of time (Karaeminogullari et al., 2009: 333).

The degree of product adaptation does not have a very high impact on the profit of the enterprise. Expanding into different markets, different marketing research, different marketing programs, different production processes cause high costs. Product adaptation affects other aspects of business operations. An adaptation strategy increase the company's market share and sales, but this does not directly affect profits much. On the other hand, much as the adaptation increases the amount of sales, the additional costs that will arise tend to decrease the total revenue. Therefore, the degree of product adaptation is negatively related to the profit of the enterprise and directly proportional to the market share and sales volume (Ekmekci, 2013: 109).

When it comes to the environmental factors, it can be argued that product adaptation is mostly influenced by the cultural environment. The lifestyles, consumption habits, delices, tastes, needs and wishes of consumers with different cultural structures differ from each other. Because of these differences, McDonald's, one of the world's giant companies that performs product adaptation in the best way, implements a well-directed product adaptation strategy. McDonald's can offer alternative products to its consumers in different countries of the world with different characteristics. In this regard, it has made serious adaptations to the products it offers in its original menu. It is possible to find beer in McDonald's restaurants in Germany, while ayran is the menu beverage in Türkiye. In Italy, you can enjoy espresso and pastry products, while in Japan it is possible to see burgers with teriyaki sauce, and in the Netherlands, it is possible to see vegetarian burgers. Another adaptation is in Norway. Since Norwegians consume a lot of fish, it has caused McDonald's to take this into consideration and add Mc Laks to their menu with grilled salmon sandwiches (Sahin, 2013: 77).

We can examine management thoughts and approaches in three general groupings and perspectives (Halici, 1-2):

- ✓ Development of postmodernism perspective
- ✓ The emergence of views on management and organization from sociological and economic perspectives.
- ✓ Concepts, practices and approaches developed within the framework of globalization and the knowledge era.

As a system of thought in social sciences, postmodernism implies a perspective that sees everything relative, which aims to get rid of established thought patterns, criticizes all kinds of scientific research and accumulated knowledge, and expresses a kind of rebellion against the established order. In terms of management, diversity encourages creativity. People should be left completely free and given the opportunity to do what they want, instead of imposing the “right” thing.

The views that examine the adaptation of organizations to their environment through conscious decisions are called “adaptation-harmonization approach”. The basic point of view of this view, also known as the 'ecological view', 'population ecology' or the 'organizational population ecology model' in organizational theory, is that: Just as living beings in nature are eliminated by natural selection and some of them lose their lives, while others continue their lives by developing in an evolution, the situation is similar in the world of organizations. Those who were eliminated cease their activities, and those who are chosen can survive. Thus, the environment controls the organizational population.

Contingency Approach

While classical and neo-classical approaches are based on principles and organizational structure, contingency approach deals with conditions. In classical theory, the organization is accepted as a tool for the realization of goals and objectives, and the realization of organizational goals by making maximum use of existing resources is considered in the foreground. While giving particular importance to jobs and positions and the relations between them in Classical Organization Theory, the human element is positioned as data and its social character and psychological and social working conditions are not taken into account. This means that this theory says that what is to be done, how, when, and for what purpose must be determined clearly and precisely. In addition, this theory suggests that those who do not strictly comply with this job, rule, method and discipline must be dealt with by certain punishment measures such as wage cuts and dismissal. Because of these features, the classical doctrine was criticized as being narrow, limited, mechanical and bureaucratic.

Another aspect of the contingency approach is that it sees the organization as a whole. It can be argued that such an approach, which examines the organization as a whole and therefore examines the relationship between internal and external factors, would be expected to look at the organization as a system, because the current situation and factors examine the entire organization, not a part of it. For this reason, the internal environment of the organization, its external environment, the organizational system, the general structure of the organization, the elements that make up the organization and the current conditions are examined according to the requirements of the situation. Naturally, it would not be right to determine the best method for such complex organizational structures. The reason for this is that the contingency approach is based on researching the current situation, evaluating these results and determining the best organizational structure suitable for today's conditions. For this reason, such a structure will be dynamic rather than static, according to the changing conditions of today (Kocel, 2003: 267-268: Eren, 2001: 55-58).

Export

The simplest and most used way to enter foreign markets is export (Mutlu, 1999: 98). Export is one of the global product strategies. This activity is preferred by companies because it requires the least capital commitment as well as having the least risk (Yavan, 2006: 55).

Generally, businesses that are not financially strong prefer exporting instead of making investment decisions (Mutlu, 1999: 98). Export is the international execution of the activities of evaluating, planning, using and controlling business opportunities in order to satisfy the needs, wishes and preferences of customer groups to generate income (Arslan, 2006: 91). Export, which is one of the first steps of entering international markets and globalization, is the sale of products produced by a company in its own country by transporting it to another country. The firm may carry out its first foreign country sales experience by shipping its own products and selling them to foreign markets, or it may be realized with the help of a firm specialized in foreign trade (Eren, 2003:138-139).

Exporting is important for the growth and competitiveness of a country and its companies. Export is the sale of final products produced within national borders in foreign markets (Simsek, 2003: 262).

Direct or indirect export strategies can be mentioned as an export-based entry strategy. Exports made directly or indirectly occupy an important place in global marketing strategies (Arslan, 2006: 91).

Indirect Export

The marketing strategy that carries the least risk among global marketing activities is the indirect export method. In order to export, a business that adopts an indirect export strategy makes an agreement with an independent intermediary institution or a person. Such intermediaries may be the following: various brokers, domestic or foreign traders, exporters' associations and export companies. Within the framework of the agreements made with these intermediaries, the goods and services of the manufacturer are delivered to the customers in the global markets (Arslan, 2006: 91 and Aksu, 1993: 19).

Indirect export is much easier than direct export. Because it does not require special expertise and cash expenses (Mutlu, 1999:98).

The advantages of indirect export can be listed as follows (Aykol, 2009: 11):

- ✓ An easy distribution option for the enterprise,
- ✓ Low-cost method, and does not require an additional investment,
- ✓ An option that reduces risk,
- ✓ Does not require international expertise.

The disadvantages of indirect exports can be listed as follows (Aykol, 2009: 11):

- ✓ The foremost among them is the lack of control and information,
- ✓ The profit to be made is limited,
- ✓ The business stays away from the market with this application,
- ✓ Does not allow the business to have its own foreign market entry strategy

Direct Export

In direct export, the enterprise's level of participation is much higher than in indirect export and it may require much more time and financial resources than expected (Arslan, 2006: 91). The domestic firm sells the products it produces in the country directly to foreign countries and thus undertakes all related activities without using intermediaries (Koparal, 2004: 77).

The enterprise, which reaches a certain size, turns to direct export in order to get rid of the disadvantages of indirect export. Much as this increases the required expenditure and the risk incurred, the profit to be obtained from exports will increase, and the export-related knowledge and experience will increase by adopting this way (Senol, 2006: 5).

There are several advantages of direct export to the business. These can be listed as follows (Aykol, 2009: 9):

- ✓ Gives the business the opportunity to control all export stages,
- ✓ Offers more sales opportunities compared to indirect exports,
- ✓ The business is able to establish close relationships with its customers,
- ✓ Provides more market information and market-related feedback.

The disadvantages of direct export can be listed as follows (Kaplan, 2013: 21):

- ✓ The exporting enterprise has to spend more time and resources,
- ✓ The exporting enterprise has to bear more risks.

Difference between Indirect and Direct Export

The main differences between indirect and direct exports can be summarized as follows:

- ✓ In indirect export, the company can export its product to the country it wants through intermediaries. In direct exports, the business offers products directly through its own export department, foreign sales offices or foreign agents and distributors without using any intermediaries or persons (Mutlu, 1999: 91).
- ✓ Indirect export is less costly and less time consuming compared to direct export (Koparal, 2004: 77).
- ✓ Indirect export methods are commonly used by small firms that produce inputs to international businesses that will later export overseas (Koparal, 2004: 77).

Investment Strategy

Many factors force multinational enterprises to make foreign direct investments instead of joint ventures. Many factors such as the constant increase in transportation costs, high tax rates, import quotas, and government incentives may cause multinational enterprises to prefer foreign direct investment. Foreign direct investment means 100% business ownership in a foreign country (Mutlu, 1999: 120).

Foreign direct investment has various definitions made by different individuals and institutions. However, by combining the common features of these definitions, it is possible to make the following definition. Foreign direct investment is defined as investments made by a firm establishing a completely new firm/facility in another country, or acquiring or merging with an existing domestic firm, or establishing a partnership by increasing the capital of an existing firm in that country. Foreign direct investment is also an investment that brings with it monetary capital, management and organizational knowledge, technology, entrepreneurship, control and decision-making authority, and can be made by both individuals and mostly MNCs. As another feature, foreign direct investment is defined as long-term investments that take place within the investing company, which is engaged in production, distribution, finance, trade, management, technology and marketing activities in the host country (Yavan, 2006:47).

A firm that enters a foreign country may choose a foreign direct investment strategy, which is more costly and risky compared to other strategies (Eren, 2003: 140). With this strategy, businesses can benefit from labor, raw materials and easy access to nearby markets (Arslan, 2006: 92). If the business has gained experience in a market to which it exports and the market is large enough, it may turn to establish production facilities there. The advantages of this can be listed as follows: investment incentives of foreign countries with cheap labor or raw materials, the positive image of opening business and employment opportunities in the country of entry, keeping the power of control over investments and thus developing production and marketing policies in a way that will serve long-term international purposes. The most important drawbacks of direct investment can be counted as the economic and political instability in the country where the investment is made, the nationalization of the investment and the risk of worsening the market in that country (Senol, 2006: 7). Also, companies can have a good image as they create job opportunities by investing in another country. Moreover, foreign direct investment strategy can provide easier adaptation of goods and services of enterprises in international markets (Arslan, 2006: 92).

According to the purposes of the investment, investment types can be listed as follows:

Table 1: Purposes of Investment

Purpose of Foreign Investment	Features Required in the Host Country
Market Oriented (Horizontal Investment)	Market size Market growth rate Access to regional and global markets Country-specific consumer preferences Structures of markets The power of local business life
Efficiency Oriented (Vertical Investment)	Resource and asset costs adjusted for productivity of labor Other input costs such as transportation and intermediates Membership in a regional association for economies of scale
Resource Oriented	Raw materials Low cost, unskilled labor
Asset Oriented	Availability of skilled labor Presence of quality universities and research institutions The size of the supply of graduate workers Created assets including innovative capacity, technological adaptability, marketing networks, technical skills, business and cultural attitudes and clusters R&D and FDI cluster and threshold size

Source: (Demirel, 2006:19)

Table 2: Reasons for the Rise of Foreign Direct Investments

Country Perspective	Company Perspective
1. Liberal market mechanism	1. Increasing need for access to global markets
2. Economic globalization	2. Competitive pressures to obtain input from the cheapest available sources
3. Increased mobility of welfare assets	3. Regional integration accelerates investments seeking greater efficiency
4. Increasing number of developing countries	4. Decreased transportation costs and increased ease of cross-border communication
5. Convergence of the economic structures of developed and some newly industrializing countries	5. Rise of oligopolistic competition among leading companies
6. Better assessment of the benefits and costs of foreign direct investment by governments	6. The emergence of spatial opportunities for foreign direct investments.
	7. The need to better balance the advantages of globalization and localization

Source: (Ozcan and Ari, 2010: 67-68)

Mixed Product Strategy

Along with targeting the whole world market with a standard and single product, a business can carry out the promotion activities of this product in different regions and countries with an adaptation strategy. For example, Procter & Gamble offers Pampers brand diapers for sale in the whole world market, but adapts its promotion strategy according to geographical regions. Likewise, Kellogg's Corn Flakes are on sale worldwide. However, while promotion themes are standard in some regions of Latin America and the Far East, promotion, packaging and distribution strategies are specific for each country in Europe (Sahin, 2013: 81).

It is evident once again that both strategies are not independent of each other. It is seen that both strategies can be benefitted while creating a global brand. How close to which strategy should be, basically becomes clear as per the product feature, consumer behavior, environmental factors and market structure. The fact that businesses follow a global approach while determining their product strategies in international marketing is realized by utilizing both adaptation and standardization strategies. It is possible to summarize the points that play an important role in the determination, rating and market segmentation of product-related strategies, which are among the marketing mix elements, as follows (Sahin, 2013: 84):

- ✓ Compared to consumer products, industrial products are more in line with the standardization strategy.
- ✓ Nondurable goods require more adaptation than durable goods.
- ✓ Culture-dependent products need more adaptation than culture-independent products.
- ✓ In highly competitive markets, the need for product adaptation increases, especially when local competition is intense.
- ✓ The degree of adaptation is high in substitute products.
- ✓ It is difficult to standardize the marketing strategy for products in different periods in different markets according to the product life cycle.
- ✓ In case the consumer perception and attitude are affected by foreign products and the product's country of origin, and this situation differs according to the markets, the need for an adaptation strategy is increasing.
- ✓ Country laws in different markets, product-related standards, issues such as scope, performance, safety necessitate more adaptation strategy.
- ✓ Language differences and negative connotations about the product name can have an adverse impact on the global brand image. Therefore, the need to resort to an adaptation strategy increase.

It can differentiate the products and services offered by the business in elements such as design, brand name, technology, features of goods and services, customer service, distribution, and vendor network. A differentiation strategy does not require the firm to neglect its costs. The main target of this strategy is to ensure that the product has a monopoly in the market with a particular feature. In the differentiation strategy, the company tries to be the only company that has a product with a privileged feature for its customers. Differentiation may result from the following: product specifications, appearance, design difference, safety, quality and durability, customer service, or product image. For example, Mercedes and BMW cars are expensive, but the consumer is willing to pay that price. Because these cars are symbols of luxury and status. Also, Sony has been identified with quality and Volvo cars with safety. For this reason, companies that make technology-oriented production use the differentiation strategy more because of the technical features of their products, and the buyers are willing to pay the extra price due to these different features (Uysal, 33).

The differentiation strategy provides the business with a return above the industry average and develops a position to compete with five competitive forces (Uysal, 33):

- ✓ Differentiation improves brand loyalty in customers and customers become less sensitivity to price. Thus, the company acts more flexible than its competitors in determining the price of the product.
- ✓ Customer loyalty and originality of the product in the market prevent new entry to the market.
- ✓ To cope with the strength of suppliers, the business achieves high profit margins and reduces the need for lower costs.
- ✓ Buyers' possibility is reduced as alternative different products to compare are not found.
- ✓ The company that differentiates its products to gain customer loyalty defends itself better than its current competitors in terms of substitute products

The benefits of the product differentiation strategy can also be clarified through five competitive power models. Successful implementation of this strategy can provide performance above the industry average, as it will create a defensible position against the five competitive power models. The advantage of the differentiation strategy in terms of five competitive forces can be summarized as follows (Besirov, 2007: 26):

- ✓ Since a highly differentiated product/service will greatly limit customers' options, they will be less price sensitive and this reduces their bargaining power.
- ✓ Differentiation leads to higher profit margins and gives the business more flexibility in dealing with increases in input costs, ie the bargaining power of suppliers. In this case, the enterprise can reflect the increase in input costs to customers through prices.
- ✓ Since customer loyalty will be an important obstacle to be overcome for new entrants, product/service differentiation makes entry into the market more difficult and reduces the threat of new entrants.
- ✓ Product differentiation also protects the business from competition in the industry. Even if the business cannot completely isolate itself from the competition, it will not have to enter into price competition with rival businesses because it has less price sensitive customers.
- ✓ Finally, the business also achieves a good standing against substitute products through brand loyalty.

There are also drawbacks of the differentiation strategy. These drawbacks can be summarized as follows (Ulgen and Mirze, 2004: 265-267):

- ✓ Customers may not perceive the difference completely or they may find the suggested price high for the difference provided. In this case, the differentiation strategy cannot be effective.
- ✓ Difference can be imitated by competitors. This also causes the differentiation strategy to lose its effectiveness.
- ✓ The difference that is accepted and deemed important for a certain period of time may lose its significance in the eyes of the customer after a while.
- ✓ Differentiation strategy may result in increased costs in some business activities. The key point here is that the high price to be applied for the basic product/service should not be more than the increasing costs. For this reason, it is necessary to control the cost increases in comparison with the value

Combination of Global and Local: Glocalization

Theorists carry out many studies on the international transfer processes of media, symbols, lifestyles and attitudes and the results of this transfer. One point of view argues that many people in the world are replacing their traditional, local cultures with consumer images, symbols and preferences from the west and spread globally. Another perspective emphasizes that most consumers desire to maintain their local culture and tend to reject globally perceived values. It is clear that most people prefer messages that use images of local consumption to reflect their local lifestyles, values, attitudes and behaviors. In particular, multinational or global organizations consider local images of the countries where the advertisement is carried out, the culture of the countries, and the characteristics of the target audience as the basic elements to be taken into account in the advertising communication process (Guz and Kucukerdogan, 2005: 2).

Another perspective implies integrating elements of global culture into local culture. According to Appadurai (1990), global cultural forces have to intermingle in one way or another. This is what most researchers call 'glocalization'. McDonald's includes “Kimchi Burger” in its Korean menus, beer in its menus in the Netherlands and wine in its menus in France, with a hybrid, glocal approach. This can be an example of McDonald's serving according to the local food preferences and values of the societies (Denencli, 2013: 3).

Marshall explained the reasons for the localization of industries in his studies on the concentration of geographical regions. These reasons are as follows: employer pool of specific inputs, information, specialization + concentration, regional demands and their interrelationships. According to Marshall; “Each innovation changes the local industry between a different region in the name of free intervention”. Marshall states that internationalization and localization can occur simultaneously. Marshall's approach illustrates the transition from regional economies to clustering. Accordingly, clustering can be mentioned as a global local production process (Irhan, 2010: 10).

- ✓ The characteristics of the industrial zones stated by Marshall are as follows (Irhan, 2010: 10):
- ✓ The business structure is dominated by locally owned firms.
- ✓ Economies of scale are relatively low.

- ✓ There is significant intra-regional trade between buyers and suppliers.
- ✓ Major investment decisions are rendered locally.
- ✓ There are long-term contracts and obligations between local buyers and suppliers.
- ✓ There is a low level of cooperation or linkages with companies from outside the region.
- ✓ The intra-regional labor market is highly flexible.
- ✓ Workers are associated with the region rather than companies.
- ✓ Labor migration of workers is high, and external migration is low.
- ✓ The region offers resources such as finance, technical expertise, and specialized business services.

It is possible to list the features, which are the most important aspects of the global marketing strategy, as follows (Sahin, 2013: 89-90):

- ✓ Localization: While global marketing adopts that every product must be a global product and take part in the global market, glocal marketing takes into account localization, local production and local demand. Because local approaches support global marketing.
- ✓ Glocal approach: It is possible for the business to adopt a glocal attitude in every aspect, so the glocal market should be well known and the necessary operations should be commenced.
- ✓ Coordination: Orientation teams for global market activities need to be coordinated, market variables and strategy must be effective.
- ✓ Efficiency: Details are vital in global marketing, it requires a substantial approach, an active attitude should be followed by taking these points into account, and otherwise an improper application may be experienced.
- ✓ Cooperation: The harmony and interaction between globalization and localization is an indication that glocal marketing should be built on a cooperative strategy.
- ✓ Distinctness: Each glocal business should have a unique and distinctive glocal marketing practice, which gives it a comparative advantage over other competitors in the markets.
- ✓ Decentralization: Global marketing respects local characteristics; this should also apply to management style. In other words, instead of centralized management, managers working in different countries should be granted decision-making authorization.

New Product Strategy

First and foremost, the company should use the resources of new product ideas in an organized manner within the scope of new product development. Firm customers, vendors, officials and workers, managers, competitors, and research and development departments are the main birthplaces of new product ideas. The word “new” is an adjective that many manufacturers easily apply to the product and stick it on their packaging. From the consumer's point of view, this approach is associated with the extent to which s/he can find answers to his/her needs. The novelty can also be in the product itself or in its packaging, where the product must be perceived as new by the consumer. When it comes to developing products suitable for export, a traditional product for a country is new for foreign markets. Whether the company renews the product according to the foreign market or develops a brand-new product, the important thing is that the product should be able to meet a certain consumer need. Even if the new product is described as a commercial product that has never been marketed before, this description does not fully reflect today's understanding of the new product. Accordingly, four types of new product definitions can be made. These are listed below (Ekmekci, 2013: 114):

- ✓ A truly new product: Production is carried out in order to activate the hitherto suppressed demand in the market. Research and development is needed at great expense. Much as our era is full of great technological advances, creating completely new products is quite difficult and risky.
- ✓ Product new to the business, not new to the market: An existing product is introduced to the market under a new brand name. These types of goods are usually put on the market as a result of technological innovations. When a business brings a product to the market as an upshot of technological innovation, other businesses have to develop similar or substitute products. For instance, Simtel introduced an electric controlled vacuum cleaner against Rowenta's wet-dry vacuum cleaner.

- ✓ Adapting a product that is being produced in other countries and putting it on the market: This product is either offered to the market by adapting to the needs of the market, or offered to the market with minor changes, according to the market conditions.
- ✓ The product that the company offers to the market by making changes: The product is presented to the market as a new product with a new design, color, size, and packaging or with minor changes in its content. Businesses prefer this method instead of producing new products. In an environment where consumer preferences are constantly changing, it is impossible to sell a product forever. Moreover, under the conditions of developing technology and intense competition, not producing new products is an extremely risky attitude for the business.

Companies place importance to innovations in their products and services or to create new product and service groups due to technological developments and the acceleration of competition. Especially in existing products, improvements have started to be applied at an increasing rate according to customer expectations and features of competing products. Expanding the product range is a positive approach to addressing customers' suppressed needs and meeting customers' differentiated expectations in different market segments. Most products put on the market are improved versions of existing products. Improvement prevents products from becoming obsolete and shortening their life cycle. Every new product may not be an invention; the important thing is that it provides a unique benefit for the company and customers (Kulakli, 2005: 104).

Some of the reasons for product development can be briefly grouped as follows: (Koyuncu, 2011: 3-4):

- ✓ Globalization and Competition: With the growth of world trade, competition has intensified, and international rival companies have emerged. This situation always causes a competitive environment to prevail in existing or new markets. Therefore, it is imperative to achieve a competitive advantage. The way to accomplish this is to develop products that make a difference and do it reasonably quickly. The need to use modern product development tools and techniques in product development studies has been brought to the fore because competition has gone beyond national to internationalization, product quality has reached world quality standards, and the number of competitors has increased.
- ✓ The Firm's Willingness to Grow in the Market: The growth of a firm can only be achieved by producing a new product. Because existing products become obsolete over time and cannot meet consumer needs. If a firm wants to grow, it has to produce new products and find new markets. Otherwise, long-term growth cannot be achieved without introducing new products or services to the market.
- ✓ Shortening of Product Life Cycle: The product lifecycle is a concept that covers the changes in the sales volume and profit of the product over time. When a new product enters the market, sales increase but gradually decrease after a certain period of time. As a result, efforts to develop new products gain importance to maintain economic profitability.
- ✓ Efficient Use of Company Resources: Firms want to produce at full capacity. However, the low demand for manufactured products makes it unnecessary to operate at full capacity. Adding new varieties to the products produced by the company not only increases its profit, but also reduces its fixed expenses. Moreover, advertising and promotional activities for new products will allow other products of the company to come to the fore and be remembered.

Table 3: Product Development Processes

Processes	Transactions
Collecting the Ideas	Is the idea worth considering? The idea is the basis of the developed products.
Evaluating the Ideas	Is the idea of the product consistent with the business objectives, strategies and resources? It is the evaluation of the collected ideas and the selection of the appropriate ones.
Concept development	Is there a concept of a good product that customers would say OK? This is when product ideas become meaningful terms in the language of consumers.
Determining the strategies	What strategy should be pursued? Product development strategies are determined
Economic analysis	Will this product meet the business' profit targets? At this stage, the contribution of the product to the profitability, sales and costs of the enterprise is calculated.
Product Development	Can we technically manufacture this product? The product is transformed into a technically and marketing-perfect product.
Market (marketing) testing phase	Do the sales of the product meet our expectations? The market potential of the product is determined and the effectiveness of sales policies is measured.
Putting on Market	When, how, where and to whom will we introduce the product? Packaging and distribution characteristics are determined.

Source: (Koyuncu, 2011: 5)

IN CONCLUSION

Brand expansion keeps the brand updated, supports new consumer opportunities, and helps increase sales by attracting new customers or responding to additional usage opportunities, even if it does not bring incredible sales. It saves time and money in adopting the new product and saves the cost of creating a new brand. Because of all these reasons, many companies apply this strategy intensively today.

In addition to the bad experiences of global companies in their search for new markets, the following developments have led to questioning the validity of the best one-way approach in global advertising strategies that can bring success all over the world: rapidly increasing technological advances, providing easy access to information thanks to developments such as the internet, satellite and digital broadcasts, transportation opportunities and barriers to globalization. For this reason, there is a shift to approaches that can provide analysis at the level of national, cultural, and individual differences for the effectiveness of global advertising strategies and practices. Especially since the eighties, the concept of culture has started to attract attention. While connecting and homogenizing countries, the rapid changes created by globalization in the 1990s also triggered a strong desire to preserve cultural identities and local autonomy. In one respect, it can be argued that the culture has gained the upper hand against globalization.

Global businesses like Coca-Cola have fully realized the inadequacies and weaknesses of a standard advertising strategy. Although Coca-Cola is considered an international business, it sees itself as a multi-local venture rather than a global business. It develops its advertising strategies in line with the characteristics of each local culture. Large international businesses such as P&G, Unilever, and Nestle have realized that Anglo-Saxon approaches do not fit all other cultures and have invested heavily in research to find the appropriate one.

Considering the benefits they provide to channel members, the significance of category management is evident. Today, this technique, which changes retailers' management approach, is deemed a necessity by large retail businesses. Retailers, who had a product-oriented understanding in the past, now prefer to be consumer-oriented. Category management is a process that requires time, investment, and restructuring (in terms of store layout and personnel). Retailers, who can afford this change and its costs, will gain an advantage over their competitors by offering consumers the best goods, services, and solutions. Those who successfully implement category management will be the ones who decide what these goods and services will be because category management is a differentiation strategy.

Shared trust between supplier and retailer is at the core of cooperative relationships. The common focus in category management is the consumer. All relevant information is shared. Objectives, strategies, and tactical considerations are understood. No one can accomplish this alone. The parties involved are open to change. At the first level, the supplier and retailer work together on category strategies, tactics, and execution plans. The supplier and retailer must work together during the category management process at the second level. It can be suggested that category management will gain a competitive advantage, especially for large-scale food retailers, in an environment where competition intensifies due to the entry of foreign-owned multinational retailers, which are opening up to foreign markets due to the shrinkage of their domestic markets and increasing in number in our country.

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