



ADOPTING glocalisation AS AN essential

BUSINESS PRACTICE



In this regular column, **Marion Gamel**, Executive Coach and former C-level executive with over 20 years' experience in corporate settings – including working for Google, Eventbrite and Betsson Group – explores the new phenomenon of 'glocalisation' – a trend that could be described as conducting business with the aim of global distribution, but which is adjusted to appeal to users in a local market.

The COVID-19 pandemic and the war in Ukraine both draw attention to realities of globalisation. The butterfly effect is more obvious today than ever before. However, consumers are increasingly drawn to what's local to them – culture, talent, food, arts and sustainable production, for ecological reasons but also to re-create or strengthen the feeling of belonging to a community that's geographically close. Many leaders I coach today are faced with the conflictual reality of what's known as glocalisation: conducting

business according to both local and global considerations.

GLOCA-WHAT?

Glocalisation is not new: The term was first popularised by Roland Robertson, a British sociologist, in the 1990s. Globalisation is defined as the process of localising a global brand, concept or offering to a scale that fits local needs. Glocalisation is the cultural appropriation of a global brand or offering, so it is engaging among local customers. →

“GLOCALISATION EMPOWERS COMPANIES TO SIMULTANEOUSLY KEEP GLOBAL AND LOCAL CONSIDERATIONS IN MIND, WHICH IS INVALUABLE IN REACHING AND MAINTAINING RELEVANCE AND EFFICIENCY.”



McDonald's is a great example of glocalisation, often used to concretely explain the trend: McDonald's has mastered customising its branding and its product offering to each of its markets, while maintaining a strong global brand and business model that is recognisable the world over.

McDonald's restaurants in Israel sell 'kosher Big Macs' without cheese, while in Mumbai, India, McDonald's has shifted from beef towards vegetarian and chicken options. Companies which have today mastered glocalisation are numerous: Starbucks, Lays, Pepsico, KFC, Ford, Gillette and Subway. They are all adept at the glocalisation mantra: "Global reach + local relevance".

GLOCA-WHY?

Glocalisation brings several advantages to global businesses:

- Faster and deeper penetration of markets, in any region
- Optimisation of marketing and PR messages, per market
- Encouraging innovation, from any country
- Talent pool opening up to local and locally-knowledgeable talent
- Enhanced access for customers to a wider choice of products and services due to increased volume and adequate pricing.

In short, glocalisation empowers companies to simultaneously keep global and local considerations in mind, which is invaluable in reaching and maintaining relevance and efficiency. Glocalisation is giving businesses the ability to deepen market access through a better understanding of local nuances and to leverage local efficiencies and talent.

GLOCA-WHO?

Two business functions noticeably take the lead in adopting a glocalised approach: talent management and marketing.

Talent management

Many expatriates have returned home during the pandemic, leaving behind talent gaps. Talent mobility remains uncertain, at least in the near future. International talent is still vital, and glocalised talent may be the key to recovery.

Two profiles define what glocal means when it comes to talent: local talent with a global outlook and global talent with local roots. These two profiles bring the best of both worlds: the ability to navigate local markets and a solid understanding of global business.

In talent management, glocalisation doesn't happen overnight. It takes time for local and locally-knowledgeable talent to be given global opportunities so they can broaden their mindsets and keep learning, and for global and local ways of doing business to become intertwined. While glocalisation starts with leaders, in time, it cascades down the organigram.

It may be the right time for organisations to rethink their talent strategy for the long term, with →

glocalisation in mind. Pankaj Ghemawat, Professor of Strategic Management at IESE business school says it best: “Global leaders need to understand the factors that shape international interactions in their business, by undertaking structured examination of cross-country differences and their effects.”

Glocalisation not only entails identifying local differences, but also requires leveraging local characteristics to create a global competitive advantage. Such skills are essential for leaders driving global expansion and for managers of multicultural teams. Mastering glocalisation is de facto an essential skill for HR leaders of international organisations who need to identify, attract and retain top talent around the world.

Here’s a basic glocalisation challenge, relating to HR. Today, a global company may need to offer remote working as an option to its USA and European workforce who embraced working-from-home during the pandemic and who now prefers to continue working remotely. In the USA and Europe, many candidates see the ability to work remotely as a key factor when selecting a new employer and role, as many people have moved out of large cities during the pandemic. On the other hand, in many emerging markets, working for a global leader is seen as a ‘different experience’. A large percentage of candidates wish for a total immersion into the brand and the company culture, meaning, an office. It doesn’t take long to understand that in order to attract talent at a global scale, a one-size-fits-all approach won’t cut it anymore.

**“A GLOCALISED
MARKETING
MESSAGE IS NOT
JUST RELEVANT AND
APPROPRIATE, IT
SIGNALS COMMITMENT
AND SENSITIVITY TO
CUSTOMERS.”**

Marketing

Businesses seek to penetrate local markets, building brands that shine globally and resonate locally. Due to the global volatility we face, businesses focus on growing domestic market share, particularly in countries experiencing steep growth. A glocalised marketing message is not just relevant and appropriate, it signals commitment and sensitivity to customers: Glocalisation embodies the notion of diversity while being faithful to inclusion.

Let’s focus on Google’s take on marketing glocalisation. I joined Google in 2003, when it was a fast-growing, pre-IPO company taking over the world, one product at a time, starting with a transformational search experience to “make the world’s information available to all”.

After focusing on Google’s first international markets, UK and Ireland, I decided to focus on India where over one billion users would soon be ready for Google products. Then, I looked after Google’s expansion in the Middle East and Africa. At this time, Google was fuelled by the best talent and a unique ability to create transformative technology. In the early 2000s, Google was on a global mission using a global, fully scalable approach.

However, as the search giant set foot (and increased its investment) across the globe, the limits of a pure-play global approach started to be felt, primarily the lack of relevance on a local level. While Black Friday was popular in the USA, it meant nothing in Egypt. While YouTube was exploding in the Northern hemisphere, low Internet connectivity was delaying its progression in the Southern hemisphere. How to merge the two?

Google’s solution to glocalisation was 70/30:

- 70 per cent of marketing decisions (strategy, templates, campaigns, targets and so on) came from global. Marketers the world over received the tools, the creatives, the budget and more from Google’s headquarters.
- 30 per cent of marketing decisions could be customised to fit the context of local markets. It’s this 30 per cent of local freedom that gave Google its reach in markets as different as India and Egypt.
- To ensure that global branding guidelines were followed, Google put in place several touch-points for local teams, through which they could check that local initiatives respected the company’s overall brand. That’s glocal! ➔

GLOCA-HOW?

There are four essential steps to a successful global approach.

STEP 1: Understand the market and local competition, customer preferences, local talent expectations, local culture and beliefs, as well as influencers. All are essential to developing an effective local strategy.

STEP 2: Understand the local talent pool and market as well as the best way for the local arm of the business to become a talent-magnet in each country. Recruit local as well as locally-knowlegeable top talent. Furthermore, several country regulations make the use of local labour compulsive. Once this is done, companies create synergies between a great local talent pool and global talent. Local insights help reduce resistance in some markets, and they also foster innovation.

STEP 3: Globalisation also entails creating partnerships with local companies. Global players benefit from synergies with local companies, not only for the supply chain but also for promotion, distribution, etc. At Google, co-marketing partnerships were an essential part of local marketing strategies and a way to marry a globally-loved brand with locally-trusted players. A good example is the partnership that was created between Google and Vodacom in South Africa.

STEP 4: Creating a web of synergies is the final step. As local contexts may largely differ in political, economic, socio-demographic, regulatory and competitive terms, they require customised approaches. Companies can accelerate growth by creating synergies of global and local best practices, competences and processes.

Globalisation is on leaders' minds these days. In the VUCA (volatile, uncertain, complex and ambiguous) world we live in, the questions of how to combine the need for companies to grow at scale while being locally relevant in the message they send to users and potential candidates is ever present. This comes down to knowing what is core to your offering, mission and message – the global stuff that can't be changed or you risk losing your soul – and what's not core, that could be customised to each market or region in order to resonate further with local talent and customers. **iGC**

Got a question for Marion?
Email her at marion.gamel@gmail.com.

