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Searching the web for global brands: how American brands standardise their web sites in Europe

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Abstract

Purpose This study explores US brands' web site standardisation in terms of the extent of standardisation and the content applied across European markets. The conceptual framework was created on the basis of four basic functions of web site content, i.e. transaction, communication, relationship, and interactivity.

Design/methodology/approach In total, 116 websites created for the UK, France, Germany, and Spain were examined by online content analysis techniques, in terms of the features of the web site in each host country, and the similarity between the home country (USA) and host country web sites. The unit of analysis was determined to be the first page or homepage of the web sites, excluding analysis of hyperlinks. Multivariate analyses were applied to test the principal thesis of the study.

Findings The brands sold by US firms adopted a localisation strategy for web sites created for European markets by tailoring the specific content to each market, but maintained a minimum level of uniformity for logo, colour and layout. Other aspects, such as textual information and visual images, were very dissimilar across markets. Image reinforcement, direct sales functions and availability of choice were found to be the most significant features influencing web site standardisation. Furthermore, as in traditional media, the extent of web site standardisation for durable goods was significantly higher than for non durables.

Originality/value The findings of this study should make advertisers and agencies more aware of the cultural and socio economic differences, rather than similarities, within the single European market. Despite the increasing consensus concerning the wider applicability of standardisation practices in traditional media, the findings of this study imply that a greater segment of interactive expertise may have accepted a view that subtle but important cultural differences exist across Europe, in terms of the use, selection and participation in web site based marketing.

Keywords Brands, Marketing communications, Multinational companies, Worldwide web, Standardization

Introduction

In 2002, the USA had the largest share of internet traffic with 42.65 per cent, China followed with 6.63 per cent, while Japan came third with 5.24 per cent of total web surfing activity (Europemedia, 2002a). However, the world's focus is now shifting to Europe, as Europeans now account for 32 per cent of all internet users, with "Internet penetration levels static throughout much of the rest of the world" (Europemedia, 2002b). Jupiter Communications (2002) predict that approximately 56 per cent of internet users in Europe will shop online by 2007, while total online consumer spending in Europe will grow at a compound annual rate of 32 per cent, to reach \$88.9 billion by

the same year. Furthermore, a recent survey shows that nearly 75 per cent of Europeans regularly or occasionally use the internet to research purchases before buying products offline (ZD Net, 2003).

Clearly, multinational corporations (MNCs) operating in European markets are now facing more and more pressure to generate more comprehensive marketing strategies on the web (Laroche et al., 2001). Among various forms of online environment, web sites have been one of the most popular platforms, allowing consumers to see, consult and obtain product-related information any time, anywhere. Such web sites can be seen as a new form of “global interactive marketing communications”, offering opportunities to strengthen effective relationship marketing in multiple markets (Roberts and Ko, 2001).

With more and more businesses online, web sites provide a “low-cost gateway to the global market”, especially for enterprises engaging in exporting (Dou et al., 2002). Furthermore, it has been widely accepted that the internet is a global medium which accelerates “cross-border information flow and transactions” (Quelch and Klein, 1996). Therefore, online communications become increasingly viable and important for world top brands that increasingly attract consumers outside their home country. In particular, for companies competing on price, selection, and delivery of the product, the characteristics of web sites are crucial for “increasing the likelihood that customers will shop at that site and will come back for future purchases” (Lynch et al., 2001). In this vein, there is a strong need for cross-cultural research focusing on what functions can be standardised and where they can be standardised on the web. However, there is a dearth of empirical research into this issue.

This study intends to fill this gap by identifying to what extent “global brands” have adopted a standardised approach for their web sites created in European markets. In order to ensure cross-national data equivalency, we have examined only the web sites created by America’s top brands for the UK, France, Germany, and Spain. These countries differ importantly in terms of cultural and linguistic characteristics, but are relatively homogeneous in socioeconomic conditions and technological infrastructure, and have an online market of a reasonable size (Table I). Furthermore, 3.3, 6.5 and 8.1 per cent respectively of the world’s online population consist of French, German and Spanish speaking consumers, compared to 35.2 per cent of English speakers (Global

	Population ^a	GDP per capita, \$ ^b	Internet penetration ^c	Regular internet use ^d	Online shopping ^e	Online spending, \$ ^f
USA	292.0	33,946	58.6	65.0	39.1	70.3
UK	58.8	22,239	53.2	37.5	20.9	11.2
France	59.3	30,493	47.3	25.3	6.6	5.0
Germany	82.3	32,822	49.1	32.5	14.9	25.1
Spain	40.3	17,968	21.2	11.4	2.5	1.3
EU15 Total	379.0	26,337	45.4	29.8	13.2	37.1

Notes: 2001 data; ^amillions, according to the national statistical offices (World Advertising Research Center, 2002); ^bUS\$, constant 1995 prices (World Advertising Research Center, 2002); ^caccess to population aged 15+ (World Advertising Research Center, 2002); ^dpercentage of population having been online in last 14 days (World Advertising Research Center, 2002); ^epercentage of population ever purchased online (World Advertising Research Center, 2002); ^fUS\$, billions, B2C (see www.emarketer.com; www.baquia.com; www.aece.org)

Table I.
Descriptive statistics of
countries analysed

Reach, 2003). Therefore, these four countries represent an important segment of world online consumers.

In what follows, the principal objective and contributions sought by this study are first explained, then the background associated with the components influencing web site standardisation is provided. Next, a conceptual framework with a research model is formulated, on which the study hypotheses are based. After the methodology is described in detail, the results are presented, and then a discussion follows. Then, the principal conclusions of the study are drawn. In closing, limitations and future research directions are discussed.

Objective of the study

In an effort to shed light on global brands' online marketing strategies, this study examines the degree of web site standardisation across markets. Using American brands' web sites created for European markets, a series of content analyses were conducted to elaborate on and clarify the link between the web site content and the standardisation strategy. It is hypothesised that American brands utilise a diverse range of brand web site features to effectively determine the degree of web site standardisation in multiple markets.

This study contributes to the literature in two ways. First, the growth of the internet has intuitively favoured the proponents of international advertising standardisation, because anyone can access any web site from any wired or wireless terminal in the world. However, Roberts and Ko (2001) argue that global interactive communications should be viewed as "cross-cultural marketing communications", suggesting that web sites can be effectively programmed for "establishing corporate and brand consistency and strong equity, while simultaneously allowing flexibility in being culturally sensitive". If this is truly the case, the web sites of global brands can be culturally localised yet at the same time strategically standardised. This study therefore addresses this question directly and empirically.

Second, as the array of marketing communications has been broadening, global network agencies have expanded their service portfolios horizontally, by merging with more specialised agencies (Tharp and Jeong, 2001). In this vein, more and more interactive agencies have been expanding their international network under the network's umbrella, while improving technology has allowed artistic and idea diversity in creative marketing communications. As a result, most interactive agencies are likely to centralise their global marketing strategy because of the top-down structure of mega-agencies (Roberts and Ko, 2001). In this regard, evidence shows that many MNCs with one brand name have allowed local entities to develop sites ad hoc, which now need tighter coordination around the globe (Quelch and Klein, 1996). However, this issue of global coordination in interactive communications has hardly been questioned empirically. The results from this study will therefore benefit both academics and practitioners by providing clearer evidence as to whether a truly centralised approach has been adopted on the internet.

Background

Standardisation versus localisation

Researchers have traditionally examined the issues of marketing standardisation in terms of the consistent marketing-mix elements used when companies operate in

multiple markets (Taylor and Johnson, 2002). More specifically, since the 1960s the standardisation of international advertising has been a central theme in many studies, especially because of the growth of global media and the increasing homogenisation of consumer tastes across the world (Duncan and Ramaprasad, 1995; Harris, 1994; Samiee et al., 2003). The standardisation strategy uses promotional messages internationally, translating but not otherwise modifying headings, illustrations or copy. This school of thought argues that consumers anywhere in the world are likely to share the same wants and needs. On the other hand, the localisation strategy posits that consumer differences may, in fact, have been widening, and that messages should be tailored according to culture, media availability, product life-cycle stages and industry structures. The third school of thought offers a compromise approach that asserts that the appropriateness of standardisation depends on the product, consumer characteristics and environmental factors (Taylor and Johnson, 2002).

The standardisation-versus-localisation issue has attracted considerable research efforts in recent years, but most studies have focused on traditional media, leaving the cross-cultural variability of online communications unexplored. This section therefore attempts to summarise the components influencing brand web site standardisation in multiple markets in terms of sales transactions, brand communication, interactivity, and relationship marketing.

Sales transactions

Batra et al. (1996) suggest that American brands tend to expand first into culturally similar markets, such as the UK, but elsewhere face the special challenges of obtaining access to distribution and other resources which are taken for granted in the home market. The creation of online sales channels with payment functions or “direct sales functions” is therefore one of the most important components in creating host-country web sites (Dou et al., 2002). However, the online business environment across the European continent is not as homogeneous as the offline economy. For instance, according to the “e-readiness rankings” created by the Economist Intelligence Unit, the UK and Germany ranked third and eighth, respectively, with the USA first. In contrast, France was 17th and Spain was 22nd, suggesting more obstacles to moving business online in these countries (EIU E-business Forum, 2002). With respect to residential broadband penetration (e.g. cable modems, DSLs), only 3.1 per cent of Western Europeans use high-speed connections, in comparison with 11.1 per cent of Americans (Pastore, 2001). Such infrastructure issues and access costs will have a strong effect on the strategic decision making of American brands’ online marketing in each country, because these factors will act as the most likely disincentives to set up an expensive electronic transaction platform (CyberAtlas, 2001). Furthermore, subsidiaries of an MNC in each country will differ in organisational size, human resources, and distribution systems, among others. Thus, it seems less easy to standardise direct sales functions across Europe, where the organisation of more customised response, control and delivery is required. On the other hand, the brand web sites are likely to compensate for this lack of direct sales functions by indirect sales functions providing contact information associated with local subsidiaries, shops and distributors, or simply by offering hyperlinks to online shopping sites as an alternative.

Brand communication

A brand is not a physical existence, but rather “what the consumer thinks and feels and visualises when he or she sees the brand’s symbol or name” (Batra et al., 1996). Stronger brands could evoke more consistently favourable meanings and associations, which could be derived from the image of the maker or from the product itself. In particular, providing attributes to enhance a globally uniform image is an important objective of brand web sites. Hence, image reinforcement can be considered as one of the principal components influencing web site standardisation. In this vein, Hwang et al. (2003) explored the concept of the web site as corporate advertisement, and found that American firms with higher revenue were more likely to emphasise both company and product-related news releases linked to their web sites. Similarly, Dou et al. (2002) contend that building a reputable corporate image is crucial in cyberspace, “where few physical cues exist to suggest the quality of the company behind the web site”. Messages associated with corporate history, news updates, philanthropic activities, career development and investor relations would contribute to such efforts, and these objective communications seem to be especially suitable for standardisation.

Interactivity

Interactivity has been considered as one of the most important characteristics of the internet. Ha and James (1998) conceptualise interactivity in five dimensions:

- (1) playfulness;
- (2) choice;
- (3) connectedness;
- (4) information collection; and
- (5) reciprocal communication.

In particular, playfulness has been viewed as consisting of the availability of entertaining functions and of unrestrained navigation in a “cyberspace wonderland”. Furthermore, brand web sites have been engaged in various forms of online promotions, such as online games, prizes and sweepstakes, which can be standardised across diverse markets.

On the other hand, language remains one of the most important choices among European consumers, because most countries want to preserve their own linguistic heritage (Kahle et al., 1994). Furthermore, while barriers to the free circulation of consumers, goods and services have been demolished since 1999, “about one third of the European population considers its roots to be local” (De Mooij, 1998). In fact, there is evidence that European consumers are becoming even more country-sensitive in terms of product usage habits (Batra et al., 1996). Thus, an appropriate country option may allow web sites to switch to more country-specific tastes, such as models, background scenes or colours, while maintaining a high level of standardisation for transactional features.

Relationship marketing

Ha and James (1998) argue that both integrated communication and relationship marketing require rigorous database formulation. In particular, a “log-in” procedure requiring prior registration has been regarded as an explicit monitoring of customer

information. Dou et al. (2002) argue that if a firm intends to “emphasize transaction features on its site, then the corresponding web site design should be more advanced”, and therefore should deploy more features associated with database formulation as well as feedback mechanism. Such features are often observed in a “personalised” web site, which is a platform customised to respond to the specific needs of its registered members. Such a web site allows consumers to actively control information retrieval or send feedback through online forms. Furthermore, with reciprocity, customers often offer firms their personal and professional information and are provided with more individualised product recommendations. Similar functions include guest books and online product inquiry. Hence, it is reasonable to assume that both feedback mechanism and database formulation are more likely to be associated with the localisation approach to accommodate individual customers’ specific needs in host markets.

Conceptual framework and hypotheses

Based on the preceding background and gaps in the research, a model is proposed that explains the conceptual framework for this study (Figure 1). This model was originally inspired by Quelch and Klein (1996), who suggested two primary functions of web site content: information and transaction. In our proposed model, the basic structure of a brand web site is moderated from four functions, instead of two, consisting of:

- (1) communication;
- (2) transaction;
- (3) interactivity; and
- (4) relationship.

With “orientation” as a central feature, the resulting nine quadrants need to be effectively combined for the desired level of web site standardisation.

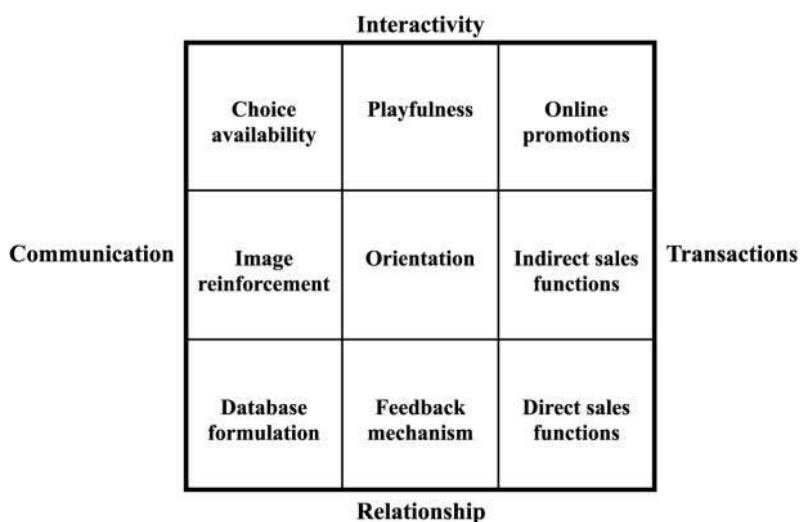


Figure 1.
Conceptualisation of
brand web site content

Source: Inspired by Quelch and Klein (1996)

On the basis of this argument, the following hypotheses are formulated:

- H1. The extent of web site standardisation in host markets is significantly and negatively associated with the presence of direct sales functions.
- H2. The extent of web site standardisation in host markets is significantly and positively associated with the presence of indirect sales functions.
- H3. The extent of web site standardisation in host markets is significantly and positively associated with the presence of image reinforcement.
- H4. The extent of web site standardisation in host markets is significantly and positively associated with the presence of online promotions.
- H5. The extent of web site standardisation in host markets is significantly and positively associated with the presence of choice availability.
- H6. The extent of web site standardisation in host markets is significantly and negatively associated with the presence of a feedback mechanism.

Methodology

A web site content analysis procedure was adopted to examine the degree of standardisation in American brands' web sites created for the British, French, German and Spanish markets. Methodological recommendations were carefully reviewed and followed to establish a high reliability (Craig and Douglas, 2000; Dou et al., 2002; Okazaki and Alonso, 2002).

Terms to define

In consideration of the need for precision, we define the following terms that arose during the empirical study. Global brands refer to "those with the same name, packaging, formulation, and advertising in multiple countries" (Batra et al., 1996). In this study, only America's top brands are analysed as representative samples of global presence. The web sites created for the USA are termed "home-country web sites". In contrast, by "host-country web sites" we mean those web sites created for each host-country market in its respective local language (e.g. ".de" for Germany). Figure 2 shows examples of home-country versus host-country web sites.

Data collection

A ranking of the 100 Top Global Brands was used for the data selection. This list was established by Business Week (2002), and comprises brands of a value greater than \$1 billion with two selection criteria:

- (1) brands had to be global in nature, deriving 20 per cent or more of sales from outside their home country; and
- (2) there had to be publicly available marketing and financial data on which to base the valuation.

For this study, only American brands were chosen. In total, 64 brands were found.

Home-country website (USA)



Host-country website (Germany)



Host-country website (UK)



Figure 2.
Examples of
home country versus
host country web sites

Next, host-country web sites were identified in the UK, France, Germany, and Spain, using popular search engines such as Yahoo!, Google, AltaVista and Lycos in the local language. In addition, in an attempt to create an exhaustive list of host-country web sites, the parent company's web site was scrutinised, looking for any links to "our global network". A so-called "global site" with multiple language options was considered as a "gateway" of each host-country site. These efforts resulted in 57 web sites in the UK, 49 in France, 57 in Germany, and 43 in Spain. Therefore, in total, 206 web sites were analysed in this study. Table II summarises the industry classifications, type of products and names of American brands examined in this study.

Coding schemes

Coding schemes were developed with detailed operational definitions. The variables include similarity ratings, and brand web site features. First, the dependent measure in this study was the "similarity rating", which represents the extent of web site standardisation. This measure was partially adopted from coding schemes suggested by Mueller (1991). The textual and visual components of web sites created for host markets were assessed to the extent to which they were similar or dissimilar to those created at home. The similarity rating was coded for each pair of web sites (i.e. USA-UK, USA-France, USA-Germany, and USA-Spain) on a five-point semantic scale, ranging from "very different" (coded as 1) to "very similar" (coded as 5) with an intermediate scale point "not determinable" (coded as 3). The components included copy, headlines, text, layout, colour, photographs (associated with the product, with human models and with background scenes), illustrations, charts, graphs, and interactive images. These components were partially based on the work of Naccarato and Neuendorf (1998), who conducted an exhaustive review of past research and

Classification	Product type	Companies (n = 64)	Percentage
Non durable goods	Apparel, beer, cosmetics, food, film, footwear, hard liquor, health care, jewels, pharmaceuticals, tobacco, soft drinks	Avon, Bacardi, Barbie, Budweiser, Coca Cola, Colgate, Gap, Gillette, Heinz, Jack Daniels, Johnson & Johnson, Kellogg's, Kleenex, Kodak, Kraft, Levi's, Marlboro, Merck, Nike, Pepsi, Pfizer, Polo, Ralph Lauren, Tiffany, Wrigley's	37.5
Durable goods	Cars, computers, heavy equipment, home electronics, office machines	3M, Apple, Boeing, Caterpillar, Dell, Duracell, Ford, GE, Harley Davidson, Hewlett Packard, IBM, Intel, Mobil, Motorola, Xerox	23.4
Services	Airlines, credit cards, entertainment, fast food, finance, insurance, rental cars, retail, software, telecommunications	Accenture, Amazon.com, American Express, AOL, AT&T, Cisco Systems, CitiBank, Disney, Fedex, Goldman Sachs, Hertz, JP Morgan, KFC, McDonald's, Merrill Lynch, Microsoft, Morgan Stanley, MTV, Oracle, Pizza Hut, Starbucks, Sun Microsystems, Time, Wall St Journal, Yahoo!	39.1

Table II.
American brands
examined in this study

Source: Companies were selected from Business Week (2002)

professional guidelines on print advertisement forms that contribute to readership. We partially adopted this list while adding such unique characteristics of the online medium as “interactive images”.

Second, the independent measure was the existence of brand web site features, consisting of 23 categories. These variables were based on our conceptual model, consisting of nine quadrants of brand web sites:

- (1) choice availability;
- (2) playfulness;
- (3) online promotions;
- (4) image reinforcement;
- (5) indirect sales functions;
- (6) direct sales functions;
- (7) feedback mechanism;
- (8) database formulation; and
- (9) orientation.

More detailed web site features were created on the basis of the prior research on web site content analysis (Ghose and Dou, 1998; Hwang et al., 2003; Huizingh, 2000; Robbins and Stylianou, 2003). In addition, in order to make an exclusive list of features, a series of in-depth interviews was also conducted with practitioners in interactive media planning.

Each variable was measured on a nominal scale as to the existence of each feature on a web site. Values of “1” or “0” were assigned for answers of “Yes” and “No”, respectively. For example, web sites that had appropriate information associated with “job/career development” were assigned “1” for this attribute. Those that did not were assigned “0”. Table III summarises the measurement items used in this study.

Unit of analysis

The unit of analysis was determined to be the first page or homepage of the web sites, excluding analysis of hyperlinks. Hwang et al. (2003) argue that “the homepage is central to Web-based communication because it takes on a role more important than the headline of traditional print ads”. Ha and James (1998) argue that because the size of web sites varies considerably, evaluating an entire site could be extremely time-consuming as well as confusing.

Therefore, it was accepted that limiting a unit of analysis to a minimum was more appropriate in order to improve accuracy in the light of our primary objective: to identify major differences in the main text, pictures and graphics, and not to scrutinise every detail of a whole site.

The existence of brand web site features was primarily determined by the main menu or index provided on the homepage. For instance, if the menu included a link labelled as “corporate information”, the site was coded as having this variable. The only exception was made in analysing direct or indirect sales functions, because in some cases these features may not be listed on the main index. In this case, the coders were asked to examine the submenu of the web sites.

Measurement	Items	Scale type
Similarity ratings (dependent variables)	Company logo, company logo placement, major copy, major copy placement, major headline, major headline placement, major text, layout in top half/right half, layout in bottom half/left half, colour in top half/ right half, colour in bottom half/left half, major photograph 1 (product), major photograph 2 (human model), major photograph 3 (background scene), major illustrations, major chart or graph, interactive image 1 (flash as opening), interactive image 2 (pop ups), interactive image 3 (animated banners), interactive image 4 (layers, pop unders, etc.)	Semantic five point scale (1 ¼ very different, 5 ¼ very similar)
Brand web site features (independent variables)	Image reinforcement (corporate information, corporate news release, investor relationships, jobs/career development), playfulness (culture/entertainment, education/training, free download), online promotions (promotion/prizes/sweepstakes, product/brand news release), orientation (FAQs, site map, links), choice availability (global/local site options, country/language option), indirect sales functions (general product information, e mail contact, office/store locator), direct sales functions (online purchase, brand specific information), database formulation (client registration/log in, search engine), feedback mechanism (guest book/customer feedback, e mail alert)	Nominal scale with standard procedures for dummy and effect coding (Yes ¼ 1, No ¼ 0)

Table III.
Summary of
measurement items

Coder training and analysis procedure

Coding was performed by four “sworn translators”, who are licensed and certified by the Spanish Government for their exceptional linguistic ability. They are native Spaniards who are professionally trained in foreign language interpreting and translating. Two are English and French specialists, and two are English and German specialists. Coders were first trained to grasp the operational definitions of all the variables. As recommended by Kolbe and Burnett (1991), the translators were kept unaware of the hypotheses of the study. During the training period, the coders practiced independently by examining 40 randomly chosen web sites from non-American firms. After the analysis, coders were allowed to discuss questions, doubts and discrepancies with each other. When they were unable to resolve questions and doubts by themselves, the researcher provided the final judgment. This step ensured the consistency of coding results. The complete content analysis lasted from May to July 2003.

Cross-cultural equivalence

In this study, special attention was paid to assure equivalence issues in measuring similarity in multiple countries. It was recognised that there would be a potential loss

of information because non-native coders were used to analyse foreign web sites. A researcher lacking familiarity with another cultural environment may misinterpret or misunderstand textual as well as non-textual information relating to that culture (Craig and Douglas, 2000). However, it was accepted that such potential bias was minimised by the coders' extensive linguistic preparation: all coders had received full four-year university training in the foreign languages, and had lived in the corresponding countries for more than two years. In addition, before starting the analysis, the researcher and the coders discussed extensively the definitions of coding categories in order to avoid the problem of cultural bias. Finally, the subjective interpretation of textual information was minimal, since the coders were responsible for examining only major copy, headlines and text on the web sites. Otherwise, they were instructed to measure objectively the similarity of non-textual information.

Reliability

Inter-judge reliability was calculated using the reliability index suggested by Perreault and Leigh (1989). This is considered the best by various researchers (e.g. Kolbe and Burnett, 1991). The superiority of Perreault and Leigh's index lies in the fact that it does not have a multiplicative chance agreement assumption, and explicitly measures the level of agreement that might be expected by a true level of reliability (Perreault and Leigh, 1989). At the end of the coding procedure, the results were compared item by item between each linguistic pair. The reliability score ranged from 0.58 to 0.87. The low reliability scores were attributable to the interactive images: coders found that the same web sites displayed different animated images on the same banner screen. Therefore, it was decided to disregard the analysis of interactive images for the calculation of reliability scores. The resulting reliability improved notably, ranging from 0.82 to 0.87, with an average of 0.83. The majority of the reliability indices exceeded the minimum value of 0.80 recommended by Perreault and Leigh (1989), and were thus determined to be satisfactory.

Results

Preliminary analyses

Table IV summarises the frequency distribution of brand web site features. In addition to the descriptive statistics for each component, a multivariate discriminant analysis across the five countries was also carried out. The rationale for this was that if American brands use a standardised approach for their web sites across Europe, no statistically significant discriminant function should be found in the first place. The use of a nominal dependent variable in the multivariate statistical tests has been asserted to be appropriate under certain conditions (Gessner et al., 1988). Tests of the skewness and kurtosis of the dependent variables, as well as a Box's M test, suggested no evidence of violation for the basic assumptions of discriminant analysis.

The resulting discriminant function was statistically significant at $p = 0.018$, indicating that there are discriminant factors separating the five countries. Nevertheless, only three of 23 variables significantly contributed to the discriminating power of the function: global/local site option ($p < 0.001$), investor relations ($p = 0.006$), and online purchase ($p = 0.003$). Thus, compared to their host-country counterparts, home-country web sites emphasise investor relations and online purchase at the cost of the global/local site option. Next, this analysis was

	USA (n ¼ 64)	UK (n ¼ 57)	France (n ¼ 49)	Germany (n ¼ 57)	Spain (n ¼ 43)	Discriminant standardised coefficient	p
Brand web site features							
Global/local site options	37.9	84.2	65.3	75.4	74.4	20.812	0.000
Corporate information	89.4	86.0	87.8	84.2	83.7	0.094	0.899
Corporate news release	53.0	54.4	55.1	59.6	58.1	20.350	0.953
Product/brand news release	51.5	49.1	53.1	52.6	48.8	20.103	0.989
General product information	80.3	84.2	83.7	78.9	88.4	20.124	0.755
Brand-specific information	75.8	68.4	73.5	68.4	65.1	0.118	0.754
Investor relationships	45.5	26.3	16.3	22.8	25.6	0.465	0.006
Online purchase	71.2	42.1	42.6	43.9	44.2	0.531	0.003
E-mail contact	22.7	31.6	28.6	24.6	27.9	20.023	0.835
Office/store locator	33.3	33.3	32.7	26.3	30.2	0.083	0.918
Country/language option	62.1	57.9	71.4	61.4	67.4	0.254	0.640
Search engine	68.2	57.9	55.1	50.9	53.5	0.316	0.345
Jobs/career development	62.1	47.4	46.9	54.4	46.5	20.055	0.365
Promotion/prizes/sweepstakes	56.1	63.2	44.9	47.4	53.5	20.212	0.331
Education/training	39.4	33.3	26.5	24.6	39.5	20.166	0.308
Culture/entertainment	47.0	57.9	53.1	42.1	41.9	0.178	0.387
Client registration/log-in	51.5	36.8	38.8	36.8	32.6	0.051	0.276
Guest book/customer feedback	78.8	82.5	75.5	77.2	81.4	20.154	0.907
E-mail alert	25.8	15.8	20.4	19.3	11.6	0.143	0.423
FAQs	18.2	22.8	16.3	19.3	18.6	0.140	0.941
Free download	19.7	26.3	26.5	28.1	27.9	20.236	0.821
Site map	45.5	42.1	44.9	36.8	46.5	20.066	0.856
Links	4.5	12.3	8.2	3.5	4.7	0.134	0.315
Discriminant analysis							
Wilks' 1	0.620						
x ²	122.652						
df	92						
Significant at	p ¼ 0:018						

repeated only for the host-country web sites. However, no statistical significance was revealed, suggesting that the frequency of the usage of brand web site features in the UK, France, Germany and Spain was relatively uniform.

A summary of the results of similarity ratings is presented in Table V. As can be seen clearly in Table V, the similarity of logo and logo placement is notably high, while copy, headlines, text, and their respective placement on the web sites were substantially dissimilar. In contrast, the usage of common colour was relatively frequent. Also, the overall layout of web site design was relatively similar. Major photographs differed considerably between the home and host markets, while illustrations were hardly used on the web sites. No web site employed either charts or graphs.

It should be noted that the similarity ratings for interactive images were extremely low for two reasons:

- (1) the usage of the interactive images by a given brand varies across countries: its web site may be very interactive in one market, but very static in another; and
- (2) it was often observed that some web sites constantly changed the animated images on the same banner.

Therefore, it was decided that similarity ratings of interactive images should be excluded in computing the mean value. The resulting similarity ratings ranged from 2.62 (Germany) to 2.75 (UK), being below 3, which is an intermediate point. It is therefore apparent that American brands adopted a relatively localised approach in the

Components ^a	Similarity ratings ^b			
	UK (n ¼ 57)	France (n ¼ 49)	Germany (n ¼ 57)	Spain (n ¼ 43)
Company logo	4.33	4.51	4.26	4.21
Company logo placement	4.68	4.71	4.51	4.51
Major copy	1.46	1.18	1.14	1.40
Major copy placement	1.39	1.53	1.14	1.35
Major headline	0.98	0.84	0.79	0.93
Major headline placement	1.47	1.49	1.25	1.23
Major text	2.84	2.53	2.68	2.71
Layout in top half/right half	3.54	3.35	3.40	3.58
Layout in bottom half/left half	3.16	3.29	3.18	3.26
Colour in top half/right half	4.18	4.10	3.82	4.07
Colour in bottom half/left half	4.19	3.96	3.84	3.95
Major photograph: product	1.69	1.63	1.75	1.70
Major photograph: model	1.44	1.63	1.79	1.56
Major photograph: background scene	1.44	1.47	1.63	1.65
Major illustrations	0.56	0.35	0.37	0.33
Interactive image: flash as opening	0.14	0.16	0.18	0.33
Interactive image: pop ups	0.07	0.00	0.00	0.00
Interactive image: animated banners	1.02	0.84	0.91	1.19
Interactive image: others	0.00	0.02	0.00	0.00
Means ^c	2.75	2.69	2.62	2.71

Table V.
Similarity ratings by
country

Notes: ^aAll components were measured on a semantic five point scale of 1 (very different) to 5 (very similar); ^bcomponent scores were summed and averaged to create each similarity rating; ^cscores in interactive images were excluded

creation of web sites. This is also consistent with our previous observations: with the exception of very basic elements, such as logo, colour and layout, most of the components on the web sites were dissimilar. Subsequently, a multivariate analysis of variance (MANOVA) was undertaken for the similarity ratings of each component across four markets. The resulting statistics show no significant difference across the four countries, indicating that the extent of web site standardisation hardly varies across European markets: Wilks' Λ 0.865, $F(45; 559; 281)$ 0.620, p 0.976.

Next, the same analysis was repeated for the similarity ratings calculated by product category. The results indicate that web sites for durable goods were found to be more standardised than those for the other product categories (Table VI). In addition, a MANOVA detected statistical significance (Wilks' Λ 0.480, F 5.590, df 30, p 0.001). Therefore, durable goods brands were more likely than non-durables and services to standardise their corresponding web sites.

Testing of hypotheses

To investigate the hypotheses, a series of multiple regression models were undertaken by the following procedure. First, following a technique suggested by Holbrook and Lehmann (1980), a factor analysis was performed on the 23 predictor variables associated with brand web site features, using the principal component method (Varimax rotation), which is an optimum approach to condensation prior to rotation. Only factors with an eigenvalue greater than 1 were retained. This procedure reduced the predictor variables down to seven subsets of uncorrelated factors (Table VII).

A factor analysis was run because collapsing the predictor set was considered to be beneficial to degrees of freedom and power. A factor analysis with binary data has been justified by calculating a matrix of tetrachoric correlations between all item pairs (Knol and Berger, 1991). Table VII clearly shows that the seven-factor solution was appropriate, and the items displayed desirable convergent and discriminant validity. The factors extracted fall under various umbrellas:

- image reinforcement (factor 1);
- direct sales functions (factor 2);
- choice availability (factor 3);
- information collection (factor 4);
- indirect sales functions (factor 5);
- feedback mechanism (factor 6); and
- orientation (factor 7).

	n	Means ^a	Wilks' Lambda	MANOVA F	df	p
Non durables	75	2.18	0.480	5.590	30, 378	0.000
Durables	47	2.62				
Services	84	2.19				

Note: ^aThe similarity ratings of each component were treated as dependent variables; scores in interactive images were excluded

Table VI.
MANOVA by product
category

	1	2	3	4	5	6	7
Image reinforcement							
Corporate news release	0.786						
Investor relationships	0.711						
Jobs/career development	0.672						
Search engine	0.580						
Direct sales functions							
Client registration/log in		0.720					
Online purchase		0.708					
Choice availability							
Country/language option			0.830				
Global/local site option			0.740				
General product information			0.521				
Information collection							
Free download				0.681			
Links				0.620			
Product/brand news release				0.613			
Indirect sales functions							
E mail contact					0.719		
Office/store locator					0.709		
Feedback mechanism							
Corporate information						0.812	
Guest book/customer feedback						0.532	
Orientation							
FAQs							0.686
Site map							0.643
Eigenvalue	3.708	2.276	1.783	1.659	1.379	1.202	1.096
Variance explained (per cent)	16.121	9.897	7.754	7.213	5.994	5.224	4.763

Table VII.
Factor analysis of the
predictor variables

Notes: Extraction method: principal component analysis; rotation method: Varimax with Kaiser normalisation; rotation converged in 21 iterations

As expected, the results appear to indicate that the features included in our conceptual model are the most relevant factors in American brands' web sites across Europe, with three exceptions:

- (1) database formulation;
- (2) online promotions; and
- (3) playfulness.

Therefore H4, which addresses the role of online promotions, was automatically rejected.

Subsequently, using these factor scores as independent variables and the mean score of similarity ratings as a dependent variable, stepwise multiple regression

analyses were run to test the hypothesised relations between the features and the extent of American brand web site standardisation in European markets. Table VIII summarises the results.

The first equation featured all variables regardless of the country (model 1). With two exceptions, all predictors extracted from the preceding section met the criterion $p > 0.05$. The model was significant ($p > 0.001$), and 27 per cent of the variance is explained by the regression. First, the standardised coefficient of direct sales functions was statistically significant but positively affected by the similarity rating. H1 was therefore rejected. Second, indirect sales functions, image reinforcement, and choice availability were all positively affected by the similarity rating. These findings lend support to H2, H3 and H5. Lastly, the standardised coefficient of feedback mechanism was insignificant. Thus, H6 was rejected. Another predictor, information collection, was significant and negatively related to the similarity rating, although not proposed in our conceptual model. Table IX summarises the results of testing the hypotheses.

Post hoc analyses

The equations 2-5 tested the predictors for the UK, France, Germany and Spain, separately (models 2-5). All three models were significant at $p > 0.001$, but the resulting relationships between the predictor set and the similarity ratings were not as prominent as in the first equation, probably due to the small number of the observations in one market. It seems that choice availability is a more influential factor in all markets except Spain, while direct sales functions significantly affect France and Spain.

Similarly, the equations 6-8 examined the relationship between the predictors and the similarity ratings according to the product category classification (models 6-8). Each line represents the results obtained for non-durables, durables and services. All three models were significant ($p > 0.001$). Our proposed predictors were highly supported for services: five out of seven predictors were significant ($p > 0.001$), and the equations explained as much as 46 percent of the variance in the data. The model applied for durables demonstrates a reasonable fit of the data. Although only three out of seven predictors were significant, 36 percent of the variance was explained by the model.

Discussion

Can it be taken it for granted that big brands' web sites are highly standardised across markets? Given the almost non-existent research on such a question, this study explored the level of standardisation applied for American brands' web sites across European markets.

First, the significant and relatively strong empirical correlations found between the proposed predictors and the similarity ratings essentially validate our conceptual framework of global brands' web site standardisation. In place of the nine basic features suggested in our conceptualisation, seven features were identified:

- (1) image reinforcement;
- (2) direct sales functions;
- (3) indirect sales functions;
- (4) choice availability;

Table VIII.
Regression model of the
extent of brand web site
standardization

Model	n	Image reinforcement	Direct sales functions	Choice availability	Information collection	Indirect sales functions	Feedback mechanism	Orientation	Adjusted r^2	r^2
1. All countries	206	0.224***	0.210***	0.267***	20.159**	0.126**	0.080	20.244***	0.244	0.266
2. UK	57	0.097	20.052	0.336**	20.206*	0.061	0.089	20.384**	0.237	0.264
3. France	49	0.206	0.364**	0.245*	20.090	0.056	20.071	20.180	0.114	0.132
4. Germany	57	0.241*	0.167	0.372**	20.144	0.191	0.114	20.253**	0.180	0.224
5. Spain	43	0.238*	0.339**	0.043	20.152	0.167	0.107	20.346**	0.184	0.223
6. Non-durables	75	0.075	0.091	0.200*	20.085	0.127	20.120	20.245**	0.047	0.060
7. Durables	47	0.158	0.320**	0.310**	20.093	0.353**	0.086	20.004	0.361	0.403
8. Services	84	0.397***	0.428***	0.293***	20.133	20.010	0.291***	20.208**	0.463	0.495

Notes: Standardised coefficient; *p > 0.10; **p > 0.05; ***p > 0.001

Hypothesis		Accepted/rejected
H1	The extent of web site standardisation in host markets is significantly and negatively associated with the presence of direct sales functions	Rejected
H2	The extent of web site standardisation in host markets is significantly and positively associated with the presence of indirect sales functions	Supported
H3	The extent of web site standardisation in host markets is significantly and positively associated with the presence of image reinforcement	Supported
H4	The extent of web site standardisation in host markets is significantly and positively associated with the presence of online promotions	Rejected
H5	The extent of web site standardisation in host markets is significantly and positively associated with the presence of choice availability	Supported
H6	The extent of web site standardisation in host markets is significantly and negatively associated with the presence of feedback mechanism	Rejected

Table IX.
Summary of testing of
hypotheses

- (5) information collection;
- (6) feedback mechanism; and
- (7) orientation.

Although information collection was not included in our conceptualisation, this is essentially one of the five dimensions (i.e. playfulness, choice, connectedness, information collection, and reciprocal communication) of interactivity (Ha and James, 1998). Moreover, another dimension – i.e. choice availability – was found to be the most significant predictor in our model. This finding may suggest that within the vital functions of interactivity, choice and information collection are the two most important in the light of American brands' web site standardisation in European markets. However, it should be noted that information collection was negatively related to the similarity ratings in all the equations tested. Perhaps information collection is a key function for providing personal attention (e.g. office/store contact, including online inquiry forms of local subsidiaries), which is thought to be a negative function of standardisation in our conceptual model.

Second, a relatively high level of localisation was identified in all host-country web sites examined in this study. That is, in the light of image reinforcement, American brands seem to maintain a basic streamline of brand image through the usage of common logos in uniform colours and layouts. Otherwise, copy, headlines, text and visual images are basically tailored to each market. From the perspective of international advertising standardisation, this is perhaps the most surprising finding, since prior research on traditional media generally agrees on a cross-border applicability and widespread usage of the standardised approach by Western MNCs in Western markets (Duncan and Ramaprasad, 1995; Harris, 1994; Whitelock and Chung, 1989). In this regard, the findings of this study imply that American MNCs may see

Europe as a single market region, and one which is strategically very dissimilar to their home market.

Third, this study detects an important difference in the predictor set in terms of product category. As prior research on traditional media suggests, promotional messages for durable goods are more likely to be standardised than those for non-durables. The present study has confirmed that this was also the case for interactive marketing communications. Evidently, this is consistent with a traditional argument that “both practitioners and academics tend to categorise products on a sliding scale of being culture-free or culture-bound” (De Mooij, 1998). Durable goods, especially industrial and high-tech product categories (e.g. cars, computers, audio and video equipment, etc.) are thought to be the least culture-bound, and therefore lend themselves to attractive standardisation opportunities (Batra et al., 1996; Taylor and Johnson, 2002). In contrast, services were not found to be standardised. Furthermore, non-durable goods, including food and beverages, which are the hardest to standardise (De Mooij, 1998), were also determined to be less standardised in this study.

Conclusions

The findings of this study should make advertisers and agencies more aware of the cultural and socioeconomic differences, rather than similarities, within a single European market. Despite the increasing consensus concerning a wider applicability of standardisation practices in traditional media, the findings of this study imply that a greater segment of interactive expertise may have accepted a view that subtle but important cultural differences exist across Europe, in terms of the use, selection and participation in web-site based marketing. In this light, it is also possible that American brands are increasingly more concerned with market and consumer differences rather than demographic similarities, because the same product or service may be positioned differently in European markets.

As Taylor and Johnson (2002) suggest, localisation strategies can be more feasible through enhanced technologies, such as global integrated marketing communications. In fact, the digitalisation of telecommunication technology, and mergers and acquisitions among multinational agencies, have contributed to leveraging the economies of knowledge and coordination. As a result, global clients and their brands are increasingly more demanding in terms of the best combinations of global, regional, and local expertise to create a “glocal” or more hybrid strategy than the traditional “standardise-or-localise” framework (Tharp and Jeong, 2001). Such global integration may be more viable in a state-of-the-art telecommunications technology, such as the internet, than in traditional print and television media. This study sheds light on this potential scenario.

Limitations and future research

In order to provide a balanced discussion, a few limitations must be recognised. First, content analysis does not reveal an underlying managerial decision process of manifest observations. Therefore, as a second phase of the research, surveys could be sent to practitioners to reveal their “true” intentions with regard to global online strategies. In particular, future research should address an important question as to whether this localisation of American brands’ web sites is caused by a fact that an increasing number of interactive agencies are becoming affiliated with mega-agencies worldwide.

This global network may have allowed MNCs to coordinate internationally a diverse range of creative ideas, web programming, and linguistic treatments, which best suit respective host market conditions.

Second, this study explored only brands sold by American MNCs. Future research should include a greater variety of brands from non-American firms, because prior research indicates that the country of origin of MNCs influences the degree of advertising or marketing standardisation. Finally, this study focused only on the content perspective of web site standardisation. Although principal consumer and market conditions were taken into account, other important determinants of the standardisation decision-making process, such as MNCs' organisational issues and control, brands' competitive position, subsidiary size, etc. were not considered. Needless to say, future explorations will need to incorporate these aspects in more complete standardisation constructs in the online environment.

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