CUSTOMIZATION STRATEGY IN MEDIA INDUSTRY

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ABSTRACT

Technology development triggers the development of media industry, including magazine. Lot of magazine publishers enter new markets using standardize brand with adjustment on the content. Due to that fact, this study intends to determine the relationship between cultural factors and customization strategy of a global controversial product using Playboy magazine as a research target. Through a content analysis of four nation editions, the relationship between culture and images disclosed on Playboy magazine are hypothesized. As for the cultural factors, Hofstede’s cultural dimensions and Hall’s high-low context were used. Result found that a country’s level of collectivism significantly influences the use of male models and the degree of nudity on the images disclosed on the magazine.

Keywords: customization, culture, global product

1. INTRODUCTION

1.1. Research Background

The development of technology allows firms to easily expand into overseas markets effectively and efficiently. Most of the firms are able to use the same brand to enter the other market with/without adjustment on the product/service they offer. This fact is also occurred in the media industry, especially magazine. Some international brands have been on Indonesian market using the same brand but customizing the content to fit Indonesian readers, e.g. BusinessWeek, Marie Claire, Reader’s Digest and Cosmopolitan. Debate on standardization versus customization strategy for going global has been a never ending topic yet no final result has been decided (Duncan & Ramaprasad, 1995). Even though many scholars argued that increasing number of world traveler and the improvement of technology create a homogeneous market (Bartlett et al., 2003), many studies illustrated that customization is still affecting sales (Duncan & Ramaprasad, 1995; Viswanathan & Dickson, 2007), since many differences and constraint between countries defeat the feasibility of standardization approach (Viswanathan & Dickson, 2007). Therefore, it is no longer the time to keep this issue on the surface. Instead, research on factor influencing the need for global product customization (Powers & Loy, 2007) and degree of product customization are more suggested (Cavusgil et al. 1993; Viswanathah & Dickson, 2007).

The existing researches on controversial product also argued that differences and constraint between countries affects people perceive level of offensiveness toward products, thus controversial products exist in the market. Among various factors, culture and religion turn to be the major factors. Thus, it is expected that the presentation of controversial products in different markets should be customized in accordance to host country’s culture and religion (Wilson & West, 1981; Waller et al., 2004; Waller et al., 2005). Nevertheless, none of the existing cross-country researches on controversial products examined the relation between cultural dimensions and product customization strategy, whereas it is needed in order to acknowledge marketers on how to penetrate the market. It is thus this research intends to have it studied by using Playboy magazine as the illustration. It is because Playboy magazine is considered as a global controversial product due to the content and existence in twenty-three different countries.