



GLOBALIZATION IMPACT ON ADVERTISING: THEORIES AND STRATEGIES IN GLOBAL MARKETS

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Received: May 22, 2023

Accepted: Aug 07, 2023

Published: Dec 01, 2023

Abstract:

This article titled “Globalization impact on advertising: Theories and strategies in global markets. The authors provide an overview of globalization and its impact on the global economy, including the advertising sector. The article analyzes several key concepts related to advertising and globalization, such as cultural sensitivity, new technology usage, and the demand for global market research. To develop effective advertising approaches for the global market, the writers stress the need of having a thorough awareness of the cultural and economic traditions of other nations. The AIDA model, Hierarchy of Effects Model, Elaboration Likelihood Model and Social Learning Theory, are just a few of the advertising models covered in the article that give the theoretical underpinnings for comprehending how advertising influences consumer behavior. Extensive market research is frequently used in global advertising to gain insights into the distinct requirements and preferences of consumers in various regions. This empowers advertisers to create messages that proficiently convey the unique value proposition of their brand. Overall, this article gives insights for marketers to successfully traverse the global market and shines light on how the advertising environment is changing in the age of globalization.

Keywords:

Globalization, Advertising Models, consumer behavior.

1. Introduction

The concept of globalization transcends the conventional understanding of it as a strictly objective phenomenon characterized by the rise in capital and commodity movements across national borders. Rather, globalization comprises crucial subjective dimensions, including ideologies and imaginations. Throughout human history, four significant phases of globalization have emerged: customary, traditional, modern and postmodern. However, it is worth noting that the distinctions between different modes of production or stages of global capitalist system evolution, as elaborated by Marxist and world-system experts, may not be entirely replaced by the proposed periods. Some studies emphasize that globalization is a complex and multifaceted process that encompasses various economic, political, cultural and social factors. There have been discussions on the causes and impacts of globalization as well as its economic, political, and cultural implications. Some claim that it is a result of structural and technological development, while others think that elites are using it on purpose. The authority of states has been questioned by the expansion of social movements and transnational communication networks, and economic wars and ethnic-based conflicts have also increased along with wealth and economic disparities (Moghadam, 2021). In this context, advertising is a significant driver of economic growth since it promotes consumer demand and helps firms generate sales. Additionally, effective advertising may boost brand loyalty and market share, resulting in increased earnings and economic success and the advertising sector contributes significantly to the economy by creating employment and generating cash through ad expenditure. In this point, advertising is a significant driver of economic growth since it promotes consumer demand and helps firms generate sales. Additionally, effective advertising may boost brand loyalty and market share, resulting in increased earnings and economic success and the

advertising sector contributes significantly to the economy by creating employment and generating money through ad expenditure. The developments in the globalization of the advertising sector have occurred during the previous 25 years. They talk about previous research that looked at how cultural variations influenced purchase intent and the uniformity of advertising across markets. International or cross-cultural advertising research is increasingly adopting the theory of a global consumer culture. The idea of dynamic connections between consumer behavior, market dynamics, and cultural meanings is frequently studied. The global consumer culture positioning viewpoint is also becoming more significant as a tool for evaluating the effectiveness of global positioning in global advertising. In the backdrop of globalization, the impact of advertising on global corporations and consumer culture has grown in significance. Corporations may utilize advertising to connect with emerging markets and consumers all around the world, making it a critical component of the globalization process (Taylor, 2018). Globalization has shifted advertising from a local or national to a worldwide strategy, allowing businesses to reach a broader audience and adapt their messaging to varied cultural situations.

2. An Overview of Theories and Models Used in Global Advertising

Globalization and advertising exhibit a complex interrelation that entails both favorable and unfavorable outcomes. In this context, advertising strategies have undergone significant changes, with increased customization to local culture and intensification of targeting rural markets to promote foreign companies' products. (Ciochetto, 2004). Regarding the relationship between advertising and globalization, various theories and models provide a comprehensive understanding of this complex phenomenon. These theories and models offer insights into the ways in which globalization has influenced advertising, as well as the impact of advertising on the global marketplace (Ford and Mueller, 2011). One notable theory regarding the relationship between advertising and globalization is the AIDA. The AIDA model is a theoretical framework used in behavioral research to explain how advertising and promotional activities impact global consumer behavior. It claims that buyers go through four stages before making a purchase: attention, interest, desire, and action. The approach positioned that marketers must use mass media and advertising to attract the audience's attention, foster interest, appeal to desire, and trigger action. The attention stage is the starting point from which advertising attract potential consumers and pique their interest in a product or service. Moreover, the interest stage is characterized by the global consumer's emotional reaction to the product or service, during which they get intrigued and want to learn more about the company's products. The desire stage relates to the global consumer's intense demand for the product or service, whereas the action stage refers to the consumer's choice to take action, such as making a purchase. The AIDA model is well-known and widely utilized in various fields to investigate the emotional and behavioral alterations of consumers who have encountered advertising, donations, promotions (Kang, 2022). In this sense, the informative activity is intended to illustrate the ideas of the AIDA model in various marketing scenarios. This activity is divided into two sessions: the first focuses on information generation, and the second on information review. The primary purpose of this project is to provide users the opportunity to use the ideas of the AIDA model. Businesses that are active in the global market may improve their understanding of how advertising and promotional strategies influence customer behavior by collecting and analyzing data. Furthermore, this exercise can help individuals improve their communication, persuasive, and creativity skills, which are necessary in foreign markets. (Lee and Hoffman, 2015). The AIDA model is a valuable framework for understanding the stages of global consumer response to advertising, which may assist advertisers in overcoming acquisition obstacles. In this context, more study is needed to uncover and quantify the links between advertising traits and their impacts on global consumers. Overall, the AIDA model is an excellent resource for advertisers looking to analyze and influence customer behavior during the acquisition process (Ghirvu, 2013). Continuing with the evaluation, it should be noted that The Hierarchy of Effects Model is the second model under consideration. The requirement for cultural sensitivity and adaptation in advertising innovation is one notion connected to the hierarchy of effects model and globalization. Businesses that operate in global marketplaces must take into account the diverse cultural norms and convictions of their target customers. A form of creativity that works well in one culture could not work as well in another and even offend others. In order to create advertising campaigns that are culturally sensitive and contextually appropriate, advertisers must carefully evaluate how cultural variations affect each step of the hierarchy of impacts. Failure to do so may harm a company's reputation as a brand and eventually hinder its performance in international markets (Smith et al., 2008). The hierarchy of effects describes the steps a customer takes while deciding which product or service to buy, starting with awareness and progressing

through several phases including knowledge, like, and preference until arriving at purchase intention and actual purchase. It is a theoretical model that outlines the actions a customer takes before making a purchase, and advertisers utilize it to develop successful advertising campaigns. defines the actions a customer takes before to complete a purchase and is used by advertisers to construct successful advertising campaigns. (Mokhtar, 2016). In this point the hierarchy of effects model has an impact on global advertising, and despite criticism, practitioners and scholars continue to value it because of its clarity, usability, and rationality. The model provides a beneficial planning and conceptual tool in addition to assisting in behavior prediction and directing advertising campaigns. These discussions need to promote a greater comprehension of the effectiveness of advertising in a global environment, both on its own and in conjunction with other marketing communications strategies (Barry, 2002). Furthermore, The Social Learning Theory is the third model that is evaluated in this context. The Social Learning Theory may be applied to better understand the influence of global advertising on customer attitudes and behavior toward products and services. There are several techniques used in social learning, such as stimulus or global improvements, social facilitation, observational conditioning, imitation, and emulation. The act of obtaining and evaluating data from multiple digital sources, such as social media platforms, to guide corporate choices is referred to as social learning theory. The example presented is targeted advertising, in which data from a Google search is utilized to display relevant adverts on a user's Facebook timeline depending on their social media behavior (Clark, 2013). In this theory, role models and social advertising messages can impact people's social behavior (İpek and Tam, 2022), people acquire new behaviors and personality traits largely through seeing and copying others. This theory also proposes that learning may take place through reinforcement, in which people learn to link certain activities with favorable or bad results (Smith, 1994). By mixing attention, memory, and motivation, with a significant focus on cognitive ideas, the Social Learning Theory (SLT) is thought to bridge the gap between behaviorist and cognitive learning theories (Nabavi, 2012). In today's globalized world, social networking has become the primary means of communication for people from all corners of the globe. The advantages of social networking are so compelling and user-friendly that it has become an irresistible option for many people. There are numerous reasons why individuals opt to use social networking to connect with others (Othman and Suhaimi, 2012). in addition, the Elaboration Likelihood Model (ELM) will be evaluated in this context. The Elaboration Likelihood Model (ELM) is a theoretical framework that explains how people make decisions and process persuasive messages. It proposes that people can be motivated to process information through either a central or peripheral route, depending on their motivation and ability to process the message. The ELM suggests that persuasive messages can be more effective when customized to the individual's level of elaboration and that several factors such as message content, source credibility, and audience characteristics can affect the processing route. The Elaboration Likelihood Model (ELM) proposes that people have limited cognitive resources and process information strategically through either central or peripheral routes of persuasion. The central route involves a careful evaluation of the argument's quality, while the peripheral route relies on heuristic cues. The two routes have different consequences for attitude change and behavioral intentions, depending on the individual's motivation and ability to process the information. The ELM is relevant to various persuasive communication contexts, such as advertising, politics, and health promotion (Trampe et al., 2010). The Elaboration Likelihood Model (ELM) has found broad application in the field of global advertising and consumer psychology. By categorizing persuasion into central and peripheral routes, the model emphasizes that attitudes can differ in their development process. Furthermore, the ELM considers motivation and ability as critical determinants of persuasion routes, which aligns with research on consumer behavior and involvement. This framework offers a useful tool for combining past research on involvement and examining its impact on brand evaluation systematically. Low-involvement persuasion has been an area of considerable research interest (Naseem and Yaprak, 2023). In summary, the activity of generating and delivering promotional messages and campaigns on a worldwide scale, addressing consumers in different nations and regions, is referred to as global advertising. It entails creating advertising strategies and creative material that can be modified and delivered effectively across multiple cultural, language, and market situations. Global advertising's goal is to promote and raise awareness of companies, goods, or services on a worldwide scale, while taking into account the unique qualities of individual markets and adjusting messaging to resonate with local audiences. Strategic decisions on standardization, coordination, and integration of advertising activities to maintain uniformity and effectiveness across many markets are frequently made in global advertising (Zou and Volz, 2010).

3. Conclusion

In conclusion, globalization has had a substantial impact on advertising theories such as the ELM model, AIDA model, social learning model, and hierarchy of effects model. The way these frameworks are implemented and interpreted in the context of global advertising campaigns has been altered by globalization. It has resulted in a greater appreciation for cultural variety, cross-cultural communication, and the customization of advertising concepts to resonate with global audiences. The ELM model emphasizes the need of considering individuals' motivation and capacity to comprehend persuasive messages in a variety of cultural circumstances. On a worldwide scale, the AIDA model continues to advise marketers in designing attention-grabbing, interest-building, desire-generating, and action-inducing advertising campaigns. Because of increasing exposure to varied cultural influences, the social learning model stresses the implications of observational learning and imitation in molding consumer behavior. The hierarchy of effect model has been modified to account for the difficulties of global advertising, recognizing that consumer responses may differ across cultural settings. Globalization, in general, has affected and enhanced these advertising ideas by emphasizing the importance of cultural sensitivity, audience segmentation, and strategic adaptation in global advertising efforts. Advertising has undergone significant change as a result of globalization. First off, it has increased the reach of marketing initiatives, enabling businesses to engage with consumers throughout the world. Second, cultural sensitivity and customization are essential for advertising messages to connect with a variety of consumers as a result of globalization. Thirdly, the emergence of digital platforms and technological progress has unlocked fresh avenues for advertising and enabled immediate customer engagement. Moreover, globalization has intensified competition within the advertising industry, compelling companies to innovate and differentiate themselves through captivating campaigns. Finally, to overcome language and cultural barriers and establish a global brand presence, effective cross-cultural communication strategies are imperative in advertising. In this regard, Managers must keep up with the newest advances and breakthroughs in advertising theories. They should seek expertise and comprehension of these theories on a constant basis to guide their globally advertising strategy. Understanding various cultural, social and economic settings is required for global advertising. Managers should tailor the theories to the local markets they intend to target. This may entail personalizing communications, taking into account local customer behavior trends, and including cultural details. Supervisors might undertake research in the context of global advertising to validate and develop current notions. Executives may contribute to the creation and promotion of these theories by conducting research and accumulating data on customer responses, attitudes and behaviors. Executives should investigate how social networks, online platforms, and developing technologies may be incorporated with the current ideas of global advertising as technology develops. To improve the efficacy and efficiency of their advertising campaigns, they should make use of data analytics, AI-driven insights, and immediate feedback. Overall, directors should promote cooperation and information exchange between their marketing teams and with outside specialists in the field of global advertising. Decision-makers may continually improve and reinvent their advertising strategy by encouraging a collaborative atmosphere where they can draw on a variety of viewpoints and experience. With regard to this, future developments in digital technology, heightened rivalry, and the requirement for cross-cultural communication are predicted to deepen the effects of globalization on advertising.

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