Globalization refers to the process of increasing interconnectedness and interdependence among countries through the exchange of goods, services, and ideas. Glocalization refers to the adaptation of global products and strategies to local markets and cultures.

**What Is Glocalization?**

Glocalization is a combination of the words "[globalization](https://www.investopedia.com/articles/economics/10/globalization-developed-countries.asp)" and "localization." The term is used to describe a product or service that is developed and distributed globally but is also adjusted to accommodate the user or consumer in a local market.

A common example would be cars that are sold worldwide but adjusted to meet local criteria such as emissions standards or what side the steering wheel is located. It could also focus on more cultural aspects, such as a global fast-food chain offering geographically specific menu items that cater to local tastes.1

Often, glocalization campaigns involve culturally friendly media and [ad campaigns](https://www.investopedia.com/articles/insurance/020117/look-geicos-marketing-strategy.asp) to encourage the acceptance of foreign products among a local audience.

KEY TAKEAWAYS

* Glocalization is a combination of the words "globalization" and "localization."
* The term describes a product or service that is developed and distributed globally but is also adjusted to accommodate the user or consumer in a local market.
* Often, glocalization campaigns involve culturally friendly media and ad campaigns to encourage the acceptance of foreign products among a local audience.
* The process can be expensive and resource-intensive, but it often pays off for companies that practice it.

**Understanding Glocalization**

Glocalization is **the adaptation** of global and international products into the local contexts they're used and sold in. The term was coined in the Harvard Business Review, in 1980, by sociologist Roland Robertson, who wrote that glocalization meant "the simultaneity—the co-presence—of both universalizing and particularizing tendencies."

In regards to a particular product or service, this means the adaptation of globally marketed products and services into local markets. A global product or service, something everyone needs and can get use out of, may be tailored to conform to local laws, customs, or consumer preferences.

Products that are "glocalized" are, by definition, going to be of **much greater interest to the end user**, the person who ends up using the product. This is because, while it's something that everyone can use and has use for as a global product, its **localization makes it more specific to an individual**, their context, and their needs.

While glocalization helps customize an international corporation's products to a particular culture or geography, **companies** must also pay attention to the risk of perceived cultural appropriation.

**Special Considerations**

Glocalization works for companies with [decentralized authority](https://www.investopedia.com/articles/forex/042015/why-governments-are-afraid-bitcoin.asp) structures and for companies that exist and compete in multiple, different cultural contexts. **The process can be expensive and resource-intensive, but it often pays off for companies that practice it,** as it allows for greater access to a larger, more culturally varied target market. It also **makes those companies more effective competitors** in those markets.

If globalization was charged with cultural homogenization, glocalization and [multicultural organizations](https://www.investopedia.com/terms/m/multicultural-organization.asp) are something of an answer to it. Glocalization can be thought of as the opposite, or the inverse, of Americanization (sometimes called McDonaldization), too, which is the influence that American culture and business have on another country's culture.

What Is Meant by Glocalization?

Glocalization is when an **international corporation** modifies some of its offerings in order to accommodate local consumer tastes or preferences. It is a portmanteau of the words "globalization" and "localization."

What Are Some Examples of Glocalization?

Glocalization comes in many forms. For instance, in the U.K., car producers must build vehicles with the steering wheel on the right side instead of the left. Other fast-food chains will often serve up versions of local fare along with the core menu of hamburgers and chicken produts.2 Brand image and marketing campaigns are also carried out in local languages and with local customs and cultural cues in mind.

What Is the Difference Between Globalization and Glocalization?

Globalization is the spread of **products, ideas, and capital across** international borders by corporations. One criticism of globalization is that it can result in **the homogenization of cultures and consumers** around the world. Glocalization pays attention to local practices, customs, and culture to have these **products better fit regional wants and needs**.

However, **glocalization** takes a [different marketing approach](https://www.getblend.com/blog/experts-guide-how-to-successfully-launch-a-multimarket-product/). It starts by understanding the local culture and language of the target audience, and then designing a marketing translation strategy around the local particularities. When comparing **glocalization vs globalization**, the former is more effective in winning over the local market. But what do these terms mean?

**Why is Glocalization Important?**

When products are adapted to the local communities’ tastes and preferences, it **allows multinational companies to acquire trust and grow** in those **particular regions**. Adopting a glocal strategy is crucial if a business is under high pressure for local responsiveness, but the opportunities for leveraging the company’s skills are available.

As more communities adopt glocalized products, the company **increases global scale of its revenue** collection. Foreign revenue helps the firm to **decongest local competitors** and release pressure on the source as it opens more branches in newer geographical locations.

Here is a table that summarizes the main differences between globalization and glocalization:

| **Globalization** | **Glocalization** |
| --- | --- |
| The process of increasing interconnectedness and interdependence among countries through the exchange of goods, services, and ideas | The process of adapting global products and strategies to local markets and cultures |
| Emphasizes a global perspective and the homogenization of markets and cultures | Considers both global and local perspectives and allows for cultural diversity |
| Involves the integration of economic, political, and cultural systems on a global scale | Balances the benefits of globalization with the need to respect and accommodate local cultures and preferences |
| Can lead to increased economic efficiency and exchange, but may also result in negative consequences such as cultural homogenization and the loss of local traditions | Aims to achieve a balance between the global and the local, seeking to maximize the benefits of globalization while minimizing its negative impacts |

**Similarities Between Globalization and Glocalization**

Both terms are used in reference to products and services with the potential of trading globally when marketed accordingly, as some **glocal products** have broken regional limits and gained international popularity. Again, globalization and glocalization favor the networking of companies in different countries, thereby enhancing international relations.

**In Summary**

Although globalization has been the trend for many companies seeking new markets to expand operations, a more practical approach is emerging, glocalization. Instead of building a product or service and pushing it down the throat of consumers in a **foreign market**, glocalization focuses on developing items that resonate with the local tradition and culture. In other words, globalization assumes a top-down approach, whereas glocalization takes the bottom-up model.