The Role of Standardization and Adaptation in the Marketing Mix
A case study on a professional service firm
Abstract

Background: The service sector has grown immensely during the last decades and the demand for services is increasing. For professional service firms (PSFs) that want to internationalize and move to other markets, it is important to know how to attract customers and how to accommodate their needs. Therefore, it is important to know what aspects of the marketing mix to consider and how these elements can be standardized or adapted in regard to different markets and needs. It is vital to know what factors influence how the elements should be standardized or adapted in order to be able to flourish as a service firm in international markets.

Purpose: The purpose of this thesis is to explore the factors that influence the standardization or adaptation process within the marketing mix consisting of the 7Ps. Additionally, investigating to what extent each of the components of the marketing mix has been standardized, adapted or used both approaches. This thesis aims to contribute with knowledge and understanding behind these decisions as to why the marketing mix has been standardized or adapted in certain components.

Method: This study makes use of a single case study for which an exploratory approach is implemented with use of a mixed methods approach. The study uses an interpretivist philosophy and an inductive approach. Primary data was collected through interviews and a survey, while secondary data came from the company website and marketing material.

Conclusion: This study came to the conclusions that the components of product, place and people are adapted, promotion and process are standardized, and physical evidence and price is considered to be a mix. There are different factors that influence the marketing mix components, where customer preferences are considered to have the highest influence.

Keywords: Standardization, Adaptation, PSF, Internationalization, 7Ps to marketing, marketing mix
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1. Introduction

In this section there will be an overview of the background of internationalization within service firms as well as the marketing strategies of standardization and adaptation. The section also states the purpose of the research, the research problem and the gap that needs to be filled.

1.1 Background

The service sector is the largest growth driver in the global economy. In industrialized regions, e.g. Europe, it stands for 75% of GDP (Martin-Rios & Pasamar, 2018). Moreover, recent years has pushed the progress of the internationalization of the service industry into a new era, which has changed the view on world service and development. What drives this progress is the fast development that has occurred within the service industry, which also has changed the industrial structure from “industrial type” to “service type” (Eckardt & Skaggs, 2018). This translates to a higher demand for services nowadays, and therefore, the service sector is a larger part of the market. Because of these changes, service firms have increased intensely on the international market and uses different marketing strategies to adapt locally or globally.

Professional service firms (PSFs) are companies that offer professional services across multiple industries (Wroblewski, 2018). Such services may include marketing, events, finance and further types of consultancy. Due to the differences in characteristics of service firms and manufacturing firms, the process of internationalization looks different for service firms in comparison to manufacturing firms (Buckley, Pass & Prescott, 1999). These characteristics include intangibility, inseparability, heterogeneity and perishability (Pla-Barber & Ghauri, 2012). A service firm does not have to inhabit all these traits; however, some are usually present in a service firm. Moreover, the main reason for firms to internationalize is due to a demand from a foreign customer. Therefore, having a good reputation is of high value when internationalizing operations (Hitt, Bierman, Uhlenbruck & Shimizu, 2006). It is also corroborated by various authors that networks and relationships are vital when internationalizing (Coviello, 2006; Vasilchenko & Morrish, 2011), and since service firms rely heavily on relationships to sell their services, this gives them an advantage when
internationalizing. This explains why some authors claim that the internationalization process for service firms are faster than for manufacturing firms (Gabrielsson & Gabrielsson, 2011).

Due to differences in characteristics within service firms and manufacturing firms, the marketing will need to be adjusted in regard to these characteristics. Because of these characteristics there is a need for an extended version of the marketing mix called the 7Ps to service marketing (Collier, 1991; Grădinaru, Toma & Marinescu, 2016). This marketing mix is specialized on service firms and can be a helpful tool in creating a competitive advantage (Magrath, 1986). The marketing mix consists of 7 components including Product, Price, Place, Promotion, People, Process and Physical Evidence (Juneja, 2016), where People, Process and Physical Evidence is added due to the unique nature of services. This marketing mix is used as a tool to reach company goals and offer solutions to different problems (Enache, 2011). If used correctly it can help the company expand to new markets, but in order to do so the company needs to consider whether each of the components are to be standardized or adapted depending on a variety of factors. Therefore, the strategies of standardization and adaptation need to be considered.

The different strategies of standardization and adaptation is commonly used within the marketing mix (Vrontis, Thrassou & Lamprianou, 2009). Standardization is the process of implementing the same standard or approach in different locations (Business Dictionary, 2019f) whereas adaptation refers to the modification of the domestic market product or service to make it suitable for other locations and environments (Medina & Duffy, 1998). When referring to using standardization and adaptation within the marketing mix, it is the different components of the marketing mix that will be either standardized, adapted or a mix of the two approaches. One of the main reasons for standardizing the marketing mix is due to homogeneity taking place across the globe, which results in needs being similar in all markets (Nanda & Dickson, 2007). The reason for adaptation on the other hand is to meet the different needs of customers in different targets markets (Vrontis, Thrassou & Lamprianou, 2009). These approaches can be combined or separate and by using them in the marketing mix, they can create value for the organization. Therefore, there is an increasing need for understanding how these approaches can work in relation to the marketing mix and what factors that can influence the decision to either standardize or adapt the marketing mix of the 7 Ps.
1.2 Research Problem

The increase of service firm internationalization demands more research regarding marketing decisions (Eckardt & Skaggs, 2018), since in order to be competitive in the market it is of value to know how to either standardize or adapt the marketing mix to the target market. The marketing mix is described to be a tool used to gain competitive advantage and by means of different components influence the buyer’s response (Grönroos, 1999). The literature regarding the marketing mix in general is quite extensive, but it seems like the literature regarding the international market, standardization and adaptation and influential factors in relation to the marketing mix is limited (Juneja, 2016).

There is very little research conducted on what influences the choice to standardize or adapt certain elements of the marketing mix and various authors call for new research regarding these different influential factors (Vrontis, Thrassou & Lamprianou, 2009; Grădinaru et al., 2016; Powers & Loyka, 2010). Solberg (2000) explicitly says “Most of the literature on customization or standardization of the international marketing mix focuses on cultural diversity and economies of scale. [...] Little attention has been given to other factors. Other researchers agree on the need for future research regarding the marketing mix but emphasize the need for more research on standardization and adaptation in relation to service firms (Akgün, Keskin, & Ayar, 2014). In light of this, most current studies focus on the marketing mix and standardization or adaptation within manufacturing firms which leads to a gap in knowledge regarding service firms. The few studies that has researched the decision to standardize or adapt within service firms have provided inconclusive, contradictory and confusing results, making it difficult to understand the real benefits of each approach within the marketing mix (Brei, D'Avila, Camargo, & Engels, 2011).

Other studies have tried to understand how the different components of the marketing mix have been adapted or standardized (Chung, Wang & Huang, 2012; Alashban, Hayes, Zinkhan & Balazs, 2002), but they have not considered the possibility of a mix between standardization and adaptation, and they have not emphasized the factors behind the decision. Additionally, the few studies that have researched what influences the different components of the marketing mix have focused on the original marketing mix of the 4Ps, neglecting Process, People and Physical Evidence. Because of this, there is little-to-no research conducted on the added components of the marketing mix (Onkvisit & Shaw, 2004; Ghauri & Cateora, 2014; Theodosiou & Leonidous,
This study will put more emphasis and focus on the underlying factors behind standardization and adaptation of all 7 components of the marketing mix and this will be helpful to companies, since PSFs can understand what factors they should consider when viewing the marketing mix and choosing to standardize or adapt components. Considering the importance of the marketing mix on attracting and keeping customers it becomes clear that research regarding what influences the components of the marketing mix is vital (Akgün, Keskin, & Ayar, 2014).

1.3 Purpose

Hence, based on the above section the purpose of this study is to investigate how the different components of the 7Ps to Service Marketing are either standardized, adapted or a mix of the two approaches. The aim is to fill the research gap and understand the underlying reasons for why the approaches are allocated in a certain way and what factors that influence the decision to either standardize or adapt the components. The study will focus on contributing knowledge within the field of service marketing and how to allocate the approaches to be competitive on the international market. Therefore, we ask the following research questions:

- To what extent do professional service firms standardize/adapt the different components of the marketing mix in international markets?
- Which factors play a role in the decision to adapt/standardize the international marketing mix?

1.4 Definitions

<table>
<thead>
<tr>
<th>Concept:</th>
<th>Definition:</th>
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<tbody>
<tr>
<td><strong>PSFs- Professional Service Firms</strong></td>
<td>Professional Service firms exist in various industries. They offer intangible products like accounting, consulting, events, cleaning, insurance and transportation services (Business Dictionary, 2019d)</td>
</tr>
<tr>
<td><strong>Standardization</strong></td>
<td>The process of implementing the same standard, rules or approaches to create uniformity in different locations (Business Dictionary, 2019f).</td>
</tr>
<tr>
<td><strong>Adaptation</strong></td>
<td>The modification of the domestic market product or service standard to make it suitable for the environmental condition in the market they are trying to penetrate (Medina and Duffy, 1998).</td>
</tr>
<tr>
<td><strong>Internationalization</strong></td>
<td>The process of increasing involvement in international operations (Welch &amp; Luostarinen, 1988).</td>
</tr>
<tr>
<td><strong>Systems Exports</strong></td>
<td>Internationalizing by following a client from a national market to a foreign market (Grönroos, 2016).</td>
</tr>
<tr>
<td><strong>Electronic Marketing</strong></td>
<td>The process of planning, promotion and pricing of services and products in a computerized and online environment, commonly the internet (Strauss, El-Ansary, &amp; Frost, 2005).</td>
</tr>
<tr>
<td><strong>7Ps to Service Marketing</strong></td>
<td>A Marketing Mix including the components of Product, Price, Place, Promotion, Participants, Physical Evidence and Process (Boom &amp; Bitner, 1981).</td>
</tr>
<tr>
<td><strong>Service</strong></td>
<td>An intangible asset that can be an action or effort performed to meet the demand or need of a customer (Business Dictionary, 2019e).</td>
</tr>
<tr>
<td><strong>Reputation</strong></td>
<td>The opinions of people in regard to someone or something. The amount of respect or admiration someone or something receives due to past choices and behaviors (Cambridge Dictionary, 2019b).</td>
</tr>
<tr>
<td><strong>National Culture</strong></td>
<td>A set of norms, behaviors, customs and beliefs that exist within the population of nation (Business, Dictionaries, 2019b).</td>
</tr>
<tr>
<td><strong>Intangibility</strong></td>
<td>A service cannot be seen, smelled, tasted, touched or stored (Business, Dictionaries, 2019a).</td>
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<tr>
<td><strong>Inseparability</strong></td>
<td>A service is usually provided and consumed at the same location (Martin, 2007).</td>
</tr>
<tr>
<td><strong>Heterogeneity</strong></td>
<td>The variation of one service to another. The fact of consisting of parts or things that are very different from each other (Cambridge Dictionary, 2019a).</td>
</tr>
<tr>
<td><strong>Perishability</strong></td>
<td>A service cannot be stockpiled (Business Dictionaries, 2019e).</td>
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2. Frame of Reference

In this section the reader is introduced to concepts and theories already studied and previous research on the aspect of internationalization within service firms. The sections give a general idea on what previous studies have found and introduces the reader to existing knowledge on standardization and adaptation of the marketing mix. The search strategy to gather reliable and relevant literature was to use electronic data bases such as Google Scholar, Primo, Emerald Insights and Journals relevant to marketing. Such journals include “International Marketing Review” and “European Journal of Marketing. Key Words used in the literature search include “International Marketing in Service Firms”, “Standardization and Adaptation” and “7Ps to marketing”.

2.1 Internationalization of Services

Service firm’s presence in the international market has increased within the last decades (Schumann, 2009). Part of the reason behind this increase is due to globalization and liberalization of markets combined with deregulation (Netland & Alfnes, 2007). According to Toivonen (2004) this has particularly affected the service industry. Furthermore, developments in communication and technology has made it less costly to move operations abroad or to work in an international market (Roberts, 1999; Bryson, 2001). One of the ways service firms go international include “client following” (Bryson, 2001) or as Grönroos (2016) defines it “system exports”. This entails that PSFs follow their clients into an international market due to the demand from the client. Grönroos (2016) elaborates further on this and mentions another way a service company can internationalize. Grönroos (2016) refers to electronic marketing and means that due to better communication through the internet, electronic marketing can be a way to internationalize. The definition of electronic marketing is marketing strategies and processes that have been moved to a computerized and online network (Kaur & Dr. Pathak, 2015).

Another important difference between manufacturing firms and service firms are that service firms rely on human capital more heavily than manufacturing firms (Hitt, Bierman, Shimizu &
In later research Hitt et al. (2006) researched the internationalization of service firms and the importance of resources of human and relational capital. They state that in order to be successful in the international expansion of the company the firm must possess valuable, rare and inimitable resources to achieve competitive advantage. However, to only possess them is not enough, there is a need to manage them effectively (Hitt et al., 2006). One of the most valuable resources for a service firm include the aspect of knowledge (Bartlett & Ghosall, 2002). This knowledge usually resides within the partners and associates within the firm and by means of knowledge, service firms can create value by use of human capital. Furthermore, knowledge transfers to relational capital. Relational capital refers to successive relationship building, where the relationship gives benefits to both parties involved (Dyer & Singh, 1998). Knowing how to effectively build relationships with clients are one of the vital aspects of being a service firm.

Javalgi, Griffith & White (2003) conducts further research on the internationalization of service firms and puts emphasis on the difference between manufacturing and service firm internationalization. They mention that culture is one aspect that is present for service firms that is not as important for manufacturing firms. Due to the unique characteristics of service firms; inseparability, intangibility, heterogeneity and perishability, it is harder to internationalize (Javalgi et al., 2003; Knight, 1999). Intangibility refers to that services are not easily compared to one another. Most services cannot be experience before the purchase is made. If it would have been tangible, as the case with a manufactured good, it is easier to feel it, see it and even test it before purchase (Martin, 2007). The characteristic of inseparability constitutes that the service is usually provided and consumed at the same location. A manufactured good can be produced, sold and used at different locations (Martin, 2007). As for heterogeneity when concerning a manufactured good, the products all look the same and have the same characteristics. With a service it varies from service to service and it can never look exactly the same. Lastly, perishability concerns the fact that a service cannot be stockpiled (Business Dictionaries, 2019c). A produced good can be stored after production, while a service only exists at the time on consumption (Dahlgaard-Park, 2015). There are various authors that mention that due to the heterogeneity of services it is difficult to create a general model of internationalization for PSFs (Heide & John, 1988; Blomestermo, Sharma, & Sallis, 2006; Madsen, 2014) and not only do these specific characteristics of service firms affect the internationalization, it also affects the international marketing of a service firm, which is different from a manufacturing firm (Madsen, 2014).
2.2 Standardization versus Adaptation

When internationalizing within a service company it is important to consider how to market yourself in the target market. One of the most discussed topics according to most marketing journals under the field of international marketing is standardization versus adaptation. The subject already started to be discussed back in the year of 1961 (Vignali & Vrontis, 1999). In the early days focus was mainly on the idea of advertising worldwide, while today the research and discussion deal with the complete marketing mix (Schultz & Kitchen, 2000; Kanso & Kitchen, 2004; Kanso, Nelson & Kitchen, 2015). According to the Oxford Dictionaries (2019) the definition of standardization is “the process of making something conform to a standard”. Adaptation on the other hand is defined as the modification of the domestic market product or service standard to make it suitable for the environmental condition in the market they are trying to penetrate (Medina and Duffy, 1998). The process of standardization is viewed by some as more cost-effective, while adaptation enhances satisfaction of customers (Vrontis, 2003). However, there is a disagreement between scholars on whether standardization or adaptation is the right approach.

Brei et al. (2011) & Winer (2009) says the main argument for the use of the standardization strategy is that the world is becoming more and more homogeneous because of advancements in technology and communication. Because of this, cultures are becoming more homogenous and people are sharing preferences (Vrontis & Papasolomou, 2005). If people are sharing the same demands it would make it possible for companies to standardize more of their products. Continuously, when using standardization, the companies can promote a global corporate image that is more easily remembered (Vrontis, 2003). When a company sells the same product or service in different countries and market them in the same manner all over the globe it becomes easier to remember that company, since customers are exposed to the same products everywhere.

Kashani (1989), a supporter of adaptation, on the other hand argues that there are difficulties in using standardization and thus adaptation is needed to fit the unique requirements in different geographical locations. This is also stated by Vrontis et al. (2009). According to Papavassiliou and Stathakopoulos (1997) adaptation might even be needed in regions within the same country and that a big number of macro-environmental factors like culture, climate, society, education...
level or race have to be considered. This means that the marketing mix has to be adapted to the unique market requirements (Paliwoda and Thomas, 1999). Furthermore, another scholar Lipman (1988) argues that marketing a single product or service, the same way everywhere can potentially scare off customers and may blind the company to the needs of their customers. Van Mesdag (1987) also mention this and state that the most important constraint on standardization is culture. Differences in history, religion, values, attitudes and customs as well as differences in needs and wants should determine how the company markets their product. Moreover, in principle, culture is a common way of learnt mind setting for a group of people that differ from another group of people (Hofstede, 1984). Culture does not only bring the differences between people's perspective and thoughts, it also brings a barrier of different languages as well as perspectives, preferences and most importantly behaviors. These different perspectives are important to understand in order to avoid misunderstandings as well as conflicts between different cultures (Phatak, Bhagat, & Kashlak, 2009).

There is evidence of some disagreement between scholars and there are several arguments for both aspects that seem judicious. In real life both approaches exist in parallel. This might even occur within the same company (Soufani, Vrontis, & Poutziouris, 2006). This means that when first deciding to go international a company is faced with the challenge to decide on whether to standardize their marketing or to adapt it to the target market. In principle, standardization and adaptation represents similar but different ways of how products and services are being sold internationally. From the marketing strategy perspective, both external and internal factors influence standardization as well as adaptation. In other words, standardization versus adaptation can be seen as “two sides of the same coin” (Quelch & Hoff, 1986). However, even if the two key terms present similar ways, their usage is still different depending on what the firm itself wants to succeed with. Due to the disagreement between scholars, there are some scholars that emphasizes the need for both approaches. According to Hewett and Bearden (2001) performance in international markets will only be strengthened if there is a coalignment between standardization or adaptation and the environmental circumstance. They also state that there is not one approach of standardization versus adaptation that is better. To address this, Vrontis (2003) suggest that using one approach exclusively may be too extreme and not practical. According to Dicken (1998) both approaches are of value and they should coexist. Therefore, businesses should search for the right balance between the two approaches and thereafter adapt their marketing strategy (Douglas & Wind, 1987). If done correctly, this may increase the organizations performance and according to Boddewyn, Soehl & Picard
(1986) it is not a matter of choosing between the different approaches, rather it is about realizing the degree of standardization or adaptation that is suitable for the company.

In conclusion of this, there exists a rich discussion on the idea of standardization and adaptation in general, however, few scholars have looked into the concept of standardization and adaptation within the service industry. Cox & Mason (2007) researched the topic of standardization and adaptation within the service industry and concluded that usually some degree of standardization needs to take place in the beginning of internationalizing operations, but further down the line, there will be an increased need for adaptation to satisfy customers of the target market. Ding & Keh (2016) looks at standardization and adaptation of services from a consumer perspective and concluded that adaptation was associated with increased consumer control and anticipated satisfaction although it came with a greater risk. Standardization however, were preferred due to the efficiency and functionality of standardized services. The literature on service firm standardization and adaptation is increasingly important since more and more service firms are entering the global market (Wakke, Blind & De Vries, 2015). When entering the global market, there is a need for the approaches of standardization or adaptation, and to what extent they have an impact on the marketing mix.

2.3 The Marketing mix - ‘7 Ps to Service Marketing’

The marketing mix involving the 7 Ps is a marketing tool designed especially for service firms due to their unique characteristics (intangibility, inseparability, variability and perishability) (Enache, 2011; Bishop, 2002; Booms & Bitners, 1981; Magrath, 1986). The different components of the marketing mix include; product, price, promotion, place, people, process and physical evidence. These different components provide insight on how to develop successful marketing strategies (Enache, 2011). In order to fully understand the marketing mix, there is a need for an explanation of the different components. The first component in the mix is product, which within the service industry refers to the service that is offered (Juneja, 2016). Product is according to Czinkota & Ronkainen (2007) the most important component since it has the strongest impact on the competitiveness of the firm. Price refers to the price set for the service, which could be harder to finalize than for a manufactured good, since the price of a service needs to take into consideration the ambience provided (Juneja, 2016). Place has been defined as the location of the service (Bhasin, 2017), and promotion refers to advertising of the service, which is an important factor for attracting customers (Kotler and Armstrong, 2004).
Process describes the way a service is provided and according to Ivy (2008) the process is also reflected upon all different steps, which is the mixture of activities that must be done before the actual service can be provided. Moving on to physical evidence, it is the proof the customer gets that the service has been provided and the satisfaction which is created until the proof comes along (Juneja, 2016). Lastly, the people are the participants within the firm who provide the service to the customers. The people are also one of the main components for the creation of relationships and trust-building (Enache, 2011). Being aware of all these components of the marketing mix makes it easier to build relationships both in short-term as well as long-term (Palmer, 2004) and the tool is used to transform planning into practice (Bennett, 1997).

![The Seven Ps and The Four Ps](image)

Figure 1

Furthermore, in relation to the marketing mix and internationalization, there are a few studies researching this phenomenon. Mostaani (2005) elaborated on the subject and mentioned that by means of the marketing mix of the 7Ps, it is possible to expand sales in their target markets, outside of the domestic market. Yasanallah & Vahid (2012) also mention in their research that studying the marketing mix and its components remarkably improves the productivity of the firm, since when putting energy into developing a strategy for entering international markets, makes it more likely that the firm will accommodate customer needs. One of the findings in the study by Wasanallah & Wahid (2012) includes the focus on the people component. They state that the component of people has the greatest effect on the success of internationalization of service firms into different markets, and this is due to the fact that service personnel are the
image of the company. If they do not offer a good relationship between customer and service provider as well as a good service, the company will suffer more greatly than if another component is disregarded.

In extension, Yaghoubian, Jahani & Yazdani-Chararti (2018) conducted research regarding the 7Ps to marketing on the services related to health care and understood that people were one of the most important components of the marketing mix. Rakesh, Srinath & Naveen (2016) also conducted a study on the 7Ps to service marketing and concluded that the component of people was most useful in trying to satisfy customer needs and developing the services within the organization. Another study by Yelkur (2000) spread light on the importance of the different elements. Price and promotion were seen as important elements for increasing customer expectations of the service, while people, process, place and physical evidence were important elements that influence the customers perception of the service while it is being consumed. Loo & Leung (2018) conducted a study on service firms within the hotel and management industry and they focused on service failure. They reported that the most important component to consider when internationalizing operations and making use of the marketing mix is the component of product. The highest dissatisfaction comes from the product component whereas the other component did not hold the same relevance to customer satisfaction. Previous studies have come to other conclusions, where the process was seen as the component that contributed mostly to service failure (Lewis & McCann, 2004). However, most of the literature regarding the importance of the components are very specific in regard to which type of service firm they are researching. There are also studies that have had a more general focus that have found a positive relationship between the marketing mix of the 7Ps and customer satisfaction (Faris, Aljarah & Mirjalili, 2016). However, there is limited research on particularly PSFs and events (Zeithaml, Bitner & Gremler, 2012), which is why a more general stance on the literature needs to be considered.

Furthermore, in a study conducted by Rafiq & Ahmed (1995) they tested the relevance of each of the components of the 7Ps to service marketing. The results of their study included that the components of product and people share the position of most relevant to marketing with scores of 3.9 out of 5. While Physical Evidence scored the lowest with 3.1 out of 5, by this their research means to show support for the extended version of the marketing mix including the 7Ps. Enerson, Mason & Corbishley (2016) did a similar study about 20 years later and came to different conclusions than Rafiq and Ahmed (1995). Their study found that the factors of place,
physical evidence and product were seen as most vital to marketing, while promotion and price appeared to be less critical within PSFs. They had respondents rate the different factors depending on influence on marketing and there was little disagreement among respondents. The aspect of Place had the highest rating where 87.8% of respondents stated it to be most relevant, while the component of People had the lowest rate of 38.4%. The study focused on what main factors influence marketing within PSFs and the results of their study is clear. It is clear that the importance of the different factors may vary depending on individual opinions and values, however, the 7Ps to marketing holds value in international marketing decisions. In the next section, different factors contributing to the choice of adapting or standardizing the 7Ps to service marketing will be presented to shed light on what affects this decision.

2.4 Factors influencing Marketing Decisions

One central aspect of international marketing is the need to communicate with various amounts of people, who have different values and opinions (Mueller, 1991). The firm has two choices of achieving this, either they use the standardized approach where they try to address a global consumer, or they try to accommodate different audiences by means of adaptation. When choosing what approach to implement in the marketing mix there are a number of factors that can influence that decision. One example of an influence on the marketing mix is culture. National culture can be defined as a set of norms, behaviors, customs and beliefs that exist within the population of a nation (Business, Dictionaries, 2019a) and according to Usunier (1993) these three components of culture are what influences international marketing activities. However, according to Doole & Lowe (2001) there are more specific characteristics of culture that influence marketing. These include: language, religion, values and attitudes, education, aesthetics, law and politics, technology and material culture, and social organization. There are various studies focusing on the cultural differences between nations (Ricks, 1993; Tabibi Nasiripour, Kazemzadeh & Ebrahimi, 2015; Shoham, 2007; Hofstede, 1984) and supporters of adaptation consider this to be one of the main factors that needs to be taken into consideration when using the marketing mix to gain competitive advantage (Shamkarmahesh, Ford & LaTour, 2003; Unwin, 1974). Even so, people tend to believe that “all people are the same” and “everybody thinks like me” by instinct, while this not is the case. This can lead to bad decision making within a business when this mindset is implemented (Hofstede, 1984). Therefore, it is important to be aware of the differences in culture between nations and how to act accordingly. Dwyer, Mesak and Hsu (2005) mention that it is not enough to just be aware of cultural
differences, but you have to act upon them too. However, culture is not the only factor that can influence the decision to standardize or adapt the elements of the marketing mix. Therefore, in the following subsections influencing factors for each of the components will be discussed separately to emphasize that there are different factors influencing different components.

2.4.1 Influencing factors on the component of Product

To specifically address the factors that influence each of the components of the marketing mix, it is vital to know that all components are not affected by the same factors. The component of product needs to be compatible with the national culture of the target market (Onkvisit & Shaw, 2004). However, if the component of product would have been in a manufacturing firm the component would have been easier to standardize (Hollensen, 2001). For a service firm it is harder to standardize the component of product since services usually rely more on accommodating customers’ needs based on cultural preferences (Czinkota & Ronkanen, 1995). Besides the influence of culture, imitation can have a great impact on the product component. Imitation can take place when the target market is not so different from the home market (Li, Li & Cai, 2014) and this is used when other companies have ideas, products or strategies that have been successful in the target market. It comes down to satisfying the customers’ needs and doing so effectively.

2.4.2 Influencing factors on the component of Price

There are other important factors to consider when entering a new market and promoting your service. Some of the factors that can influence the price component of the marketing mix are different from the ones affecting the other components. Keegan & Schlegelmilch (2001) mention factors that influence the price component. Some of them include customer preferences, the competitive situation, cost situation, inflation/exchange rates, regulations, reduction of trade barriers, improved communication and information flow, and increasing brand globalization. When choosing to either adapt or standardize the price component of the marketing mix, these different factors may aid the company in deciding which approach is most suitable. However, Onkvisit & Shaw (2004) mentions that adapting the price to local conditions may lead to greater success for the company and that foreign consumers income needs to be considered. Making use of the standardization approach would mean that all the factors above are not considered, and a set price is implemented in all international markets. Research has
shown that the component of price is suggested to be the least standardized out of all the components (Birnik & Bowman, 2007) due to all the different factors that can influence the price component.

2.4.3 Influencing factors on the component of Place

Adapting or standardizing the place component of the marketing mix depends on a variety of factors which include the customer, the culture and the service offered, and the place component is usually one of the components that are more adapted (Onkvisit & Shaw, 2004). The place component relies heavily on the disposable incomes and purchasing habits of customers to decide on a standardized location or an adapted one. Therefore, due to large changes in habits and incomes of customers it is said to be difficult to standardizing the component of place, and therefore not commonly done (Dimitrova & Rosenbloom, 2010). Theodosiou and Leonidou (2003) also state that it is hard to standardize due to differences in availability of venues.

2.4.4 Influencing factors on the component of Promotion

The component of Promotion can also be adapted or standardized based on different factors. When the choice is to standardize the promotion component, an advertising message that is effective globally is created (Keegan & Green, 1999). When standardizing the component, it entails using the same promotion in all target markets without any tailoring to the specific market (Onkvisit & Shaw, 2004). Promotion can be affected by language, religion, laws, economic differences and media availability and if considered the component needs adaptation (Theodosiou & Leonidous, 2002). In some of the target markets, there is just a need to translate the promotion into the local language or even English, while in other countries that is not possible. In those cases, a full adaptation approach may be needed. Standardization can be seen as more cost effective, however changing the promotion slightly may not be as inexpensive but may yield higher reward (Hollenson, 2001). Mueller (1991) conducted a study on advertising and cultural distance and concluded that in countries that are more similar to the home market the use of standardization is more present, while in countries more different to the home market, the use of the adaptation approach in a higher extent. Ghauri & Cateora (2014) also claim that the component of promotion is more affected by the aspect of culture than the other components.
2.4.5 Influencing factors on the added components of People, Process and Physical Evidence

Currently there are little-to-no studies on the influencing factors of the added components of the 7 Ps to marketing. Therefore, the added components of the marketing mix including; People, Process and Physical Evidence will need to be examined by general marketing literature regarding influencing factors on the components of the marketing mix. This is because most of the current studies regarding the marketing mix and what influences the different components are focused on the original marketing mix of 4Ps (Ghauri & Cateora, 2014; Hollenson, 2001; Onkvisit & Shaw, 2004; Czinkota & Ronkanen, 1995). Therefore, it is hard to understand what factors influence these added components. However, from the marketing literature we learn that in general people, process and physical evidence are influenced by firm size, cultural differences, climate, religion, social norms, education level and political differences (Schilke, Reimann & Thomas, 2009; Ghemawat, 2001). These influential factors are general to all businesses when going abroad and affects whether the components of the marketing mix are standardized or adapted. In the study conducted by Akgün, Keskin, & Ayar (2014), the findings showed that the most influential factors on adaptation of the different components of the marketing mix are cultural differences, customer preferences and market characteristics. However, these particular findings are more general and may differ from service firms to manufacturing firms. Due to the generalization of literature concerning influences of the marketing mix, it is of importance to look at what specifically affects the extended version of the marketing mix, particularly within PSFs.

2.5 Conclusion of Literature

When internationalizing into new markets, it is important to consider the marketing mix and how the process of standardization and adaptation should apply to each component. The literature explains different opinions on standardization and adaptation approaches and the reasons for these opinions. The literature gives insights into the different components of the marketing mix and which components that were seen as most relevant. Furthermore, the literature attempts to explain what factors influence the different components of the marketing mix as well as give a general knowledge of the main influencing factor, referring to culture. Even though there is literature on the 7Ps to Service marketing there is an absence of literature regarding what influences the additional components of the marketing mix (People, Process and Physical Evidence).
3. Methodology

In this section the reader is introduced to the methods, strategies and approaches chosen for this study and the justifications for them. In addition, data analysis, data quality and ethical considerations are mentioned in this section.

3.1 Research Philosophy

To begin with there are four research philosophies that can be used in research, however the philosophy of interpretivism will be used in this study. Firstly, Interpretivism integrates human interest into a study (Myers, 2008). This is because it is important for the researchers to appreciate differences among people, since interpretivism focuses on finding the meaning. In order to find the meaning, the interpretivist approach usually rely on data collection methods such as interviews and observations but may include other types of data collection (Saunders Lewis, & Thornhill, 2012). This is one of the reasons why the interpretivist approach was adopted in this research, since the aim of this research is to find out why and how standardization or adaptation is used. An interpretivist philosophy is also of value in this study because our research questions focus on finding the meaning behind why the company has standardized or adapted in a certain way, in regard to the marketing mix. Since Interpretivism focuses on finding the meaning (Saunders et al., 2012), this is best research philosophy for this study.

3.2 Research Strategy

This study will rely on a mixed methods approach to research. A mixed methods approach is relevant for this study because of the combination of qualitative and quantitative data (Tashakkori & Teddlie, 1998). Creswell (2003) states that a mixed methods approach can be divided into two sections; primary level and synthesis level. Whilst the primary level collects and combines the results of interviews, questionnaires and observations into a single study, the synthesis level applies information derived from published articles, qualitative as well as quantitative (Creswell & Tashakkori, 2007). According to the article by Benz & Newman (1998), the mixture of qualitative and quantitative research is used more widely among
researchers today. They state that by means of both approaches the quality of the research is improved, and when none of the methods are excluded, it provides the researchers with a better understanding. The mixed methods approach is chosen in this study due to the relevance of both quantitative data and qualitative data. This research incorporates interviews, which stands for the qualitative data, as well as a survey, which stands for the quantitative data. In order to get complex answers for the research questions of this thesis, a mixed methods approach makes the most sense due to the variety of data collections methods available by use of the method (Leech, Dellinger, Brannagan, & Tanaka, 2010).

3.3 Research Approach

There are two main approaches to choose from when conducting research, those include inductive and deductive (Jebb, Parrigon, & Woo, 2017). The inductive approach starts with data collection, this is due to the fact that by collecting data the researchers will gain a broader understanding of the subject that they are researching. Afterwards, the data is interpreted and analyzed to form conclusions. The deductive approach refers to the creation of a hypothesis based on previous theories and data. This hypothesis is later either accepted or rejected based on the collected data (Saunders et al., 2012). For this research the inductive research approach is selected due to the fact that standardization or adaptation of different components of the marketing mix within service providers are relatively unexplored and the research looks for why and how the company executes this. In general, an inductive approach follows a qualitative study (Goddard & Melville, 2004), although that is not always the case. Using a mixed methods approach allows the researchers to choose between an inductive and a deductive approach (Miles & Huberman, 2002). In this research the inductive approach is chosen due to the emphasis on interviews.

3.4 Research Design

This study aims to explore how different components of the marketing mix are modified or unchanged regarding standardization and adaptation. This means that we are interested in explaining how and why firms standardize or adapt. Hence, this study will rely on an exploratory approach, which aims to clarify “how” and “why” something or someone function and work in a particular way in a certain circumstance (McLeod, 2017). One of the advantages
with an exploratory research is that it is flexible, and if necessary the direction of the research can easily be altered (Saunders et al., 2012). Since this research focuses on how the company standardize or adapt, and what factors influence that decision, an exploratory design is the best approach since it aims to explain how certain aspects are dependent on other variables (Saunders et al., 2012).

3.5 Single Case Study Design

This study will make use of a single-case study design where the main feature of a case study is the investigation of one or more specific occurrences of something in a particular case (McLeod, 2014). A case may include an organization, a group, an individual, an event or a management decision. Some common features of case studies are that they are in-depth studies, there is a use of multiple sources of data that may include interviews and documents, and cases are often studied in a real-life context (Gomm, Hammersley & Foster, 2000). Furthermore, case studies can be used to answer questions about a process or a decision (Rose, Spinks & Canhoto, 2015). Which is why it has been chosen for this study. The aim is to explore how the case organization standardize or adapt certain elements of the marketing mix and the underlying reasons for that process. Therefore, a case study is the ultimate choice, since the research can go more in-depth and investigate “how” and “why” the case organization has chosen to do it in a particular way (Yin, 1998).

3.6 Data Collection

The collection of data within any research is mandatory. Within this thesis, the collected data refers to primary and secondary data based on a single case study. Primary data is collected for a specific study aiming to suit the research problem. The collected data is at every time added to the existing knowledge (Wrenn, Stevens, & Loudon, 2002). The following section will firstly explain the sample selection for the case company as well as interviews and survey. Thereafter, a presentation of the primary data is included which explains the survey, the interviews (as well as interview guide and interview process) and thereafter a brief explanation of the secondary data that has been included in the study will be presented.

3.6.1 Sample selection
In order to gain knowledge, the PSF Mötesfabriken was selected for the study because it is the largest company within their industry with regard to international presence (Mötesfabriken, 2019). The selection criteria when selecting the company was firstly, if they were a service company, secondly, if they were working internationally, and thirdly, the size of the company. Based on those criteria Mötesfabriken was selected as the case for this study. Another important element in this study was to choose the appropriate people for the interviews. These included people who had the most experience working within the field of international marketing, but also marketing management. In order to get the most contributive answers, people would have to be more involved in the process of the marketing mix and standardization and adaptation. Furthermore, the interviewed employees had different positions, ages and backgrounds. Two of the respondents have university degrees, whilst one of them is self-learned. Two of them were more involved in the international aspect of the business, whilst one of them focused more on their operations domestically.

The people selected for the interviews were three employees with leading roles within the case company Mötesfabriken:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position:</th>
<th>Age:</th>
<th>Time within the industry:</th>
<th>University Degree:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claes Samuelsson</td>
<td>Event Manager (abroad)</td>
<td>52</td>
<td>25 years</td>
<td>None</td>
</tr>
<tr>
<td>Anna Lundahl</td>
<td>Event Manager (abroad)</td>
<td>42</td>
<td>15 years</td>
<td>Service Management and language</td>
</tr>
<tr>
<td>Yana Jarfjäll</td>
<td>Project Manager</td>
<td>38</td>
<td>5 years</td>
<td>Language</td>
</tr>
</tbody>
</table>

Table 1

To select the respondents for the data collection a non-probability sample was used. There are subcategories to non-probability sampling and those that are included in this study are Judgmental sampling and Convenience sampling. Judgmental sampling refers to participants selected for a specific purpose (Saunders et al., 2012). For this case study the judgmental sampling method was chosen when selecting respondents for the interviews. Furthermore, judgmental sampling is mostly used when there is a limited number of people who can answer
your specific questions (Saunders et al., 2012), which was the case for this study. The judgmental sampling is also a good method when the researchers want to gain reliable knowledge from people with specific knowledge in the specific field. However, some of the setbacks of judgmental sampling include biases since no randomization would take place, since respondents are chosen based on traits. Therefore, this study will also use a convenience sampling in order to overcome this and make the research more reliable (Saunders et al., 2012).

A convenience sampling is a sampling method where all participants who have the time and will are allowed to participate (Saunders et al., 2012). The only requirement being that they are working within the case organization. This sampling method was chosen in regard to the survey. Anyone within the organization could answer the survey as long as they had the time to do so. The aim here was not to emphasize a specific person within the company, but to get a better understanding of the general knowledge of the subject within the organization. The advantages of convenience sampling include simplicity of collecting data and that it is less time consuming (Saunders et al., 2012).

3.6.2 Survey

The researchers sent out a survey to the professionals working at the company. This was done in order to gain insight into how all people within the organization think and believe in regard to standardization and adaptation. The survey was performed by letting 8 employees from Mötesfabriken fill out a survey which contained 15 questions. The survey was written in Swedish as requested by the participants. The questions from the survey were fewer than the interview questions but dealing with the same topics. The reason for using a survey was that due to limited time of the employees within the company, not all of them were available for interviews. However, they were open to the idea of answering a survey. The survey included similarly structured questions. The aim of using more structured questions in the survey was to see if there is a connection between the interview answers and survey answers. The main reason for the survey was to get a more complete picture of what is adapted and standardized and whether the opinions differ within the company. Since the interviews were held with the people mainly responsible for the international aspect of the business, the aim of the survey was to see how the opinions and thoughts of the people within the organization differ from the people who are more involved in the internationalization process. The most relevant survey questions and answers can be found in the empirical findings while the supporting survey questions are
located in appendix 2. Below you can find an example of how the survey questions are illustrated:

**Answers to Question 2.**

![Survey Questions Chart](image)

*Question 2* On a scale from 1-10 how much do you believe your marketing strategy (if standardize or adaptation) has any significance when internationalizing?

3.6.3 Interviews

Primary data will be collected mostly through interviews, since the aim is to obtain more in-depth information, and to get those types of answers, interviews are best suited (Marshall & Rossman, 2016). The interviews were performed with the people mentioned under the sample selection paragraph 3.6.1 and the interviews started with engagement questions which are used to introduce the participants to the topic and start a discussion. Secondly, exploratory questions were used, and they include open-ended questions with the intent to understand more about the research question and to gather information that is useful. Exit questions are the last questions asked and usually include questions such as “Would you like to add anything?” (Nota & Govender, 2019). In the next sections a more thorough description of the interviews are included.

3.6.3.1 Interview guide

In this single case study, semi-structured interviews were chosen and carried out. Semi-structured interviews refer to interviews that are not highly structured but is designed to gain
information about the respondents’ opinions and ideas on the topic of interest (Cohen & Crabtree, 2006). Semi-structured interviews were chosen due to the fact that it is a mixed method approach that relies on an exploratory search. According to Bernard (1988) semi-structured interviews are to be preferred when you only get one chance to interview someone. Since the case company was small, it was important to get in depth information. Also, since semi-structured interviews gives some guidelines that ensure that the insights and information gathered are related to the research questions (Mcintosh & Morse, 2015), these types of interviews were preferred.

3.6.3.2 Interview process

The interview questions were constructed based on the research questions and previous theories and information from other studies. The questions were also constructed in line with the purpose of the research. The same questions were asked to all the respondents in order to get inputs from all interviews on all the questions, however, some respondents may have gotten different follow up questions due to their particular answers. This was done in order to be able to analyze the results better and see if there are any similarities between the answers. Furthermore, two of the interviews were conducted face-to-face while one interview was conducted over the telephone. This was due to the fact that the respondent preferred to take it over the phone because of the simplicity of a call. The interviews had a duration of 40, 30 & 20 minutes depending on the respondent. All the interviews were recorded and transcribed in order to be able to go back and listen to the answers of the respondents’ multiple times. This was done in order to avoid any misunderstandings or any missed information. Furthermore, during the interviews some notes were taken as a precaution, in case the recording was accidentally deleted. Also, some notes were taken during the interviews in case there was some particular sentence that was of value and should be highlighted. All of the respondents were asked in advance if they agreed to be audio recorded and they all agreed, the General Contract Agreement will be explained in the following section.

3.6.3.3 General Contract Agreement

Before conducting the interviews, the participants were asked if they wanted to be anonymous or if they accepted the use of their names and information mentioned during the interviews in this research. All participants agreed and therefore signed a “General Contract Agreement”
stating that they allowed the researchers to include their names, personal information and information stated during the interviews. Furthermore, the contract also included the participants to sign their name to that all the information they stated in the interviews were true to the best of their knowledge as well as if they allowed the authors to audio record the interviews. The “General Contract Agreement” can be found in Appendix 3.

3.6.4 Secondary Data

A vast amount of data is being archived from researchers and using existing data has become more common (Renz, Carrington & Badger, 2018). Secondary data can be defined as data that is collected by someone else as primary research and thereafter analyzed to fit the researchers’ study (Mohajan, 2017; Johnston, 2014). This study will make use of the case organizations website for secondary data as well as marketing material. Secondary data is used to make the findings richer and more reliable and this is done through triangulation. Triangulation is used in research to strengthen the interpreted findings through multiple sources of data (Thurmond, 2001; Renz et al., 2018). By using multiple sources of data, the reliability will increase, and the findings will be richer in the sense that there is more supporting evidence behind them.

3.7 Data Analysis

Since this study relies on a mixed methods approach, but mainly relies on interviews as the qualitative component of the approach, thematic analysis will be conducted in this study. The thematic analysis approach entails identifying patterns within data (Javadi & Zarea, 2016). Thematic analysis according to Saunders et al. (2016) is a very flexible approach to analyze data, it is also a very logical way to analyze data. This was part of the reason for choosing thematic analysis in this study. Also, the main objective in this study is to find underlying reasons for certain standardization or adaptation and therefore thematic analysis is a useful tool in the sense that it helps finding patterns in data (Braun & Clark, 2006).

According to Braun & Clark (2006) there is a step process to a successful thematic analysis. Therefore, in this study, the first step included reading and rereading the data from the interviews and survey. Secondly, coding was taking place to find meaningful information. The codes of “customers”, “culture specific elements”, “relationships” and “regulations”
emerged through reading sections of the interviews where they discussed why certain elements were standardized or adapted. The codes of “satisfaction”, “expansion” and “knowledge of market” were created when rereading the interviews regarding the benefits of each of the approaches of standardization and adaptation. Thirdly, and examination of the codes took place in order to develop themes. The mentioned codes of customer, culture specific elements, relationships and regulations were in this stage linked to the theme “Influences” since the codes all represented influences on the marketing mix. The codes of satisfaction, expansion and knowledge of market were linked to the theme “Value of Approach” due to the standardization and adaptation approaches effect on these codes. Fourthly, the themes were reviewed to see if they made sense. The fifth element of the step process included grouping the themes and codes together to understand the linkage between them, and lastly, the data was connected to literature.

3.8 Data Quality

Quality concerns are an important part of a study and plays a central role in the research process (Azham & Hamidah, 2011). Therefore, this study puts emphasis on obtaining a high research quality and considers multiple aspects, where the most central aspect is trustworthiness. Trustworthiness can be defined as “the ability to be relied on as honest or truthful” according to The Oxford Dictionaries (2019). Azham & Hamidah (2011) mentions 3 subsections called Validity, Reliability and Generalizability. However, these subsections are usually associated with quantitative research, although not always (Noble & Smith, 2015). Furthermore, according Guba and Lincoln (1989) Trustworthiness has 4 subsections called dependability, credibility, confirmability and transferability and these are typically more related to qualitative studies. In this study the focus will be on the latter approach to data quality because this study relies on a mixed methods approach, where this particular study focuses more on qualitative data.

3.8.1 Credibility

Credibility refers to the confidence in that the research findings are truthful (Holloway & Wheeler, 2002). Credibility also concerns whether the information and findings regarding the original data is interpreted accurately (Graneheim & Lundman, 2004). In order to achieve credibility, the research needs to immerse into the research field, this is to get more insights in
the context of the study. If the researcher has immersed himself into the research the respondents will feel more trusting towards the researcher (Anney, 2014). This was ensured in this study by first collecting a variety of material on the subject. This was done in order to make the respondents at the interviews feel more trusting. If the interviewees felt like the authors were knowledgeable within the field they are studying, more trust will be created between respondent and researcher.

Another way of assuring credibility is triangulation. Triangulation involves the use of different sources, theories and methods in order to gain reliable evidence (Onwuegbuzie & Leech, 2007). Since this study has researched several theories, used different methods in order to gain data from respondents, and used multiple sources, this ensures the credibility of this study. Furthermore, with use of interviews there has been more in-depth insights, the survey has helped by giving a more complete picture and secondary data has been used mainly for triangulation. Therefore, by means of these different sources, the credibility is enhanced.

3.8.2 Transferability

Transferability is the degree to which the findings and results of a research can be transferred into other contexts (Bitsch, 2005). This subsection is the equivalent of generalizability in Azham & Hamidah’s (2011) view of trustworthiness. This refers to thorough descriptions of methods and sampling. The researchers need to have detailed enquiries and selection of respondents in order to achieve transferability (Anney, 2014). This study accomplished this by including interview guides with detailed questions and sampling methods. This way the research can be conducted again and be transferred into other contexts with different respondents.

3.8.3 Dependability

Dependability is defined as the “stability of findings over time” (Bitsch, 2005). It refers to that researchers need to be aware that changes in the environment may influence the results of a similar study in the future (Shenton, 2004). In order to achieve this, all strategies and processes within the study need to be explained in detail, so that in the future it is possible to replicate. This is done in this thesis by thoroughly explaining the data collection process, the research philosophy, design, strategy and approach as well as interview process and sampling.
3.8.4 Conformability

As for conformability it refers to the degree that the results could be confirmed or supported by other studies and researchers (Baxter & Eyles, 1997). This is to ensure that the findings are derived directly from the data and not part of the researcher’s imagination or hopes (Tobin & Begley, 2004). In order to accomplish this all interviews were recorded in order to be able to confirm the findings and data. Also, the interviews were semi-structured, which aided the respondents to elaborate more on an answer and be personal in their thinking. Furthermore, there was a short summation of what the respondents had said during the interviews to make sure that the notes were not modified. All the respondents had the opportunity to point out if there was something in the summary of the interview that was not in line with what they meant.

3.9 Ethical Issues

According to Jenn (2006) it is the duty of the researchers to ensure that the research is conducted in a responsible and ethical way from inception to end. Ethical issues can include Anonymity, Voluntary and Informed Consent, and Deception (Akaranga & Makau, 2016). Anonymity refers to keeping from presenting the ethnic or cultural background of the respondents, their names or other sensitive information about a participant of the study (Akaranga & Makau, 2016). If any information is revealed the participants must consent. In this study this was assured by asking the respondents whether they wanted to anonymous or whether it was acceptable to include certain information about them, this document can be found in appendix 3.

In relation to voluntary and informed consent this means that a participant needs to give their consent freely (Arminger, 1997). The researchers should not force participants to consent. This was achieved by asking the participants not once but twice if they were sure that they consented to having certain information about them present in the study. Lastly, when conducting research, the researchers need to tell the truth at all times. If participants are only told part of the truth this can lead to deception (Blumberg, Copper, & Schindler, 2005). This can occur if researchers are biased when conducting surveys and interviews. In order to deter from this the researchers have carefully explained each question included in the survey in order to have the participants fully understand the questions. The same was done during the interviews. The researchers also asked the respondents whether they had any questions or if something needed clarification.
4. Empirical Findings

This section introduces the relevant findings of the selected case study. A brief introduction to the case company as well as how the organization has chosen to adapt or standardize the model of the 7 Ps. The data is primarily from interviews, but a small part is taken from a survey that the employees within the company has answered as well as secondary data.

4.1 Service company

The Swedish service firm Mötesfabriken is a company offering tailored events to both Swedish clients as well as international clients. The company has expanded rapidly ever since it first started by Pether Skoglund back in 1993. Mötesfabriken arranges different events such as gala parties, staff events, conferences, road-shows, different types of fairs, festivals and so much more (Mötesfabriken, 2019). They do this across the globe for all types of different companies but also for private persons who want their service. One of Mötesfabrikens larger customers is Scania. Mötesfabriken have helped Scania create a variety of fairs and events, one of the bigger ones was when Scania launched their latest new truck series. In terms of competitors, the service firm only has two smaller event companies named Imponera and Active Pro. Mötesfabriken state that they focus a lot on the customers and about creating the optimal event and service for the specific customer (Mötesfabriken, 2019). Mötesfabriken has been working within the service industry and produced events for over 25 years. Their main strategy for organizing events include setting meetings with clients in order to gain an insight into what the client is looking for. Thereafter, they try to accommodate the demand and find possible solutions that may fit with the vision of the client.

The main marketing strategy used by the company is to promote themselves by their reputation using the marketing tool word-of-mouth (WOM). They also promote themselves by the use of other marketing channels such as social media. Depending on if there will be an external or internal event, the market channel and target audience will differ. When doing an event for a private person, the target audience may be the whole population of a country and therefore tools such as flyers, media marketing (e.g. articles in online newspapers) or the use of social media publishing on Instagram or other forums will be used. Whereas if the company conducts an
event for another company, the main marketing strategy will include sending out emails to the employees within the customer company. Either way, the company is dedicated to creating unique events tailored to their client and each of their events are custom made. They do not sell set events, due to the fact that other event companies use that strategy and Mötesfabriken has gained some of their dissatisfied customers.

4.2 Survey Results

The survey questions were important in order to answer the research questions and gave further insights into how the employees at the company look at standardization and adaptation within the marketing mix. These survey questions were used as a complement to the interview questions and were used to understand how employees in the company view standardization and adaptation. The rest of the survey questions included in the survey can be found in appendix 2. Some of the relevant survey questions are seen below:

1. This question intended to give a first indication of whether standardization or adaptation is more important. This aiding in answering the research questions by giving insights into how employees viewed the concept of standardization and adaptation. 75% said Yes adaptation is more important, 25% said No standardization is more important.

2. “Which approach do you believe to be better?” This question was raised in order to understand if there was a preference in approaches. This question was important in regard to the research questions in the sense that a bias towards an approach could affect the decision to use either standardization and adaptation. 87.5% preferred adaptation.
3. “How much influence has the standardization and adaptation approach on your internationalization process on a scale of 1-10?” This question was necessary to ask in order to understand the importance of standardization and adaptation. 37.5% said 8 and 25% said 10.

4. The question ‘Do you think that you market yourself differently to international customers than Swedish customers?’ was intended to confirm if the company is using adaptation when going abroad. 62.5% said that it is different while 37.5% of the employees at Mötesfabriken said it is the same.

5. The last question ‘Which of the 7 Ps are the most important?’ was in good use to see what the employees put more focus on in the marketing mix, but also to see if the
participants’ answers agreed with the literature. Almost all employees of Mötesfabriken believed the component people was most important within the marketing mix whereas only one of the participants considered the process as more important.

4.3 Interviews - Standardization or Adaptation of the Components of the 7Ps

In the following paragraphs the components of the 7 P’s have been discussed one by one. Additional quotes from respondents that are of value to the thesis can be found in appendix 5.

4.3.1 Product (Service)

The component of the product is depending on the needs and wants from their customers. The company is known for tailoring their event to their client and therefore the service can differ from client to client. This is Mötesfabriken’s way of differentiating themselves from competitors. They do not want to set a complete event for customers, but rather they believe that they will gain a better reputation and a higher profit from listening to the customer and changing the service accordingly. As explained by one respondent:

“The service is adapted based on the customer’s needs. We do not have a set of events that we offer, instead we tailor the events and use the resources that are available”.

[Samuelsson, 55, Mötesfabriken]

Furthermore, since Mötesfabriken is a service firm, they rely more on their reputation to attract customers. Manufacturing firms rely more on the appearance and promotion of a product. Lundahl explains by saying:
“The idea is to give tailored events to our customers; therefore, it is not shocking that the Product (events) would be adapted. If we would have been a manufacturing firm instead of a service firm, it would be much easier to standardize than to adapt.”

[Lundahl, 42, Mötesfabriken]

4.3.2 Price

The pricing strategy used for the events by Mötesfabriken is largely dependent on the customer. Customers usually have a budget in mind for the kind of service they want and Mötesfabriken needs to be able to create an offer that fits within the customers idea and budget. Some expenses that are included in the price of an event is venue prices and travel expenses. These are set prices, and therefore Mötesfabriken needs to choose a venue or location which fits within the budget of the customer. One respondent explains:

“Since flight prices and venue prices for example are already set, it makes it much harder to adapt prices since those components affect the price that the company sets on their services. What we do is to choose venues and locations based on the customers’ preferences as well as budget, which leads to an adaptation of price.”

[Lundahl, 42, Mötesfabriken]

4.3.3 Place

The place is where the event takes place. Mötesfabriken and the client are in a mutual agreement of where this location or venue will be. In order to meet the customers expectation of the venue and location, Mötesfabriken have meetings with clients to discuss advantages and disadvantages of certain locations. Although, some of the clients may have a preference of where they want their event to be held, while some customers prefer to be enlightened by the employees working at Mötesfabriken. One of the respondents explains:
“In some cases, there is a bias towards a place because people already have existing knowledge of the place and therefore there can be a part of standardization in the component of Place.”

[Jarfjäll, 38, Mötesfabriken]

4.3.4 Promotion

The promotion of Mötesfabriken is conducted by social media and electronic marketing due to the fact that they reach the most customers. It is hard for Mötesfabriken to use advertisements for custom made events, which means they rely more heavily on a good reputation. However, they use the same marketing material in most countries, although they translate their information to English to fit the target market. As Samuelsson explains:

“Promotion is standardized because the whole process looks pretty much the same any point in time, we use the same marketing material in all countries, we just translate it to English”

[Samuelsson, 55, Mötesfabriken]

Another respondent elaborates further on the subject:

“Social media and electronic marketing are the best tool used to connect and reach out to our customers but also to send out the message of the company. The advertisement itself is more adapted since it depends on what types of customer there are, and in what country the service is supposed to be performed. The promotion is adapted.”

[Jarfjäll, 38, Mötesfabriken]

4.3.5 People

The People component refers to the people within the organization, hence the employees. In the survey the element of People was regarded as the most important element in the 7Ps to marketing. The respondents from the interviews emphasized the importance of people in the
company. The company has employees with different types of knowledge and skills. As an example, not all employees within the company work with international events. These people are more knowledgeable about locations and set prices in Sweden, while the employees working with the international events have more insights into pricing and possible locations abroad. As one respondent explained:

“The customers are different and so are the employees”. Some employees are more knowledgeable in certain fields and therefore they will take the lead on certain projects and do different tasks. To standardize this component would be almost impossible. The adaptation is important in order to satisfy the customers. It’s adapted”.

[Lundahl, 42, Mötesfabriken]

4.3.6 Process

The process at Mötesfabriken includes advertising to get the client interested in their services. To set up meeting with clients about what they want to include in their event, the location of the event and the budget for the event. Thereafter, Mötesfabriken sets up another meeting with the clients after they have conducted research on multiple locations and come up with suggestions for locations and other possibilities for the events. Later, they create the event according to the client’s demand. The process may follow the same structure for each event, however, some clients may feel the need for more meetings. One of the respondents explains:

“The stage process is pretty much standardized, however certain elements can differ depending on who the customers are and what type of event that is being produced. For example, some customers might need more meetings and verifications on the service and therefore more meetings will be scheduled.”

[Jarfjäll, 38, Mötesfabriken]

4.3.7 Physical Evidence

The physical evidence component refers to the evidence of the event. Mötesfabriken creates an event for a client and the physical evidence that the client gets is the actual event itself, when it takes place. They have received a confirmation that Mötesfabriken has delivered the event
according to the client’s demand. Therefore, the service and physical evidence is linked and Jarfjäll elaborates on the subject:

“It is a combination. We adapt the service according to the customers preferences and at any point in time there will always be some type of standardization taking place because of previous knowledge and restrictions by the customers.”

[Jarfjäll, 38, Mötesfabriken]

4.3.8 Focus on Components

All components of the marketing mix may not have the same focus within the company. Mötesfabriken decided to focus most on the component of People and focus less on the component of Price. The company also do not focus as much on promotion, since they offer an intangible product. Two of the respondents explains:

“The most focus is put on the people inside and outside the company. It is also important to acquire the right employees for different projects and to accommodate the customers’ needs in order to keep our reputation and company alive. Price is also important, but I don’t emphasize this as much since the customers can get the same price somewhere else. The individual relationship between our employees and customers is hard to replicate.”

[Samuelsson, 55, Mötesfabriken]

“The customer cannot get the commitment and spirit of our people from somewhere else, but everything else they can get from another company in reality. We do not focus much on promotion. It is hard for us to advertise our business, and this is mostly because we don’t have a tangible product. What we offer is an intangible service that is mostly adapted to the customer, which means that we rely a lot of our reputation for promotion purposes.”

[Lundahl, 42, Mötesfabriken]
5. Analysis

This section of the study will include the empirical data collected and link them with previously mentioned theories. In this section the authors will give an interpretation and analysis based on the findings from the collected data.

5.1 Standardization or Adaptation of the Marketing Mix

This section will analyze how certain components of the marketing mix have been adapted or standardized and explain what influences the components of the marketing mix within PSFs. In table 2 situated below there is an overview of how the respondents viewed the different components in regard to standardization and adaptation.

<table>
<thead>
<tr>
<th></th>
<th>Claes Samuelsson</th>
<th>Anna Lundahl</th>
<th>Yana Jarfjäll</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product</strong></td>
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<td>Adapted</td>
<td>Adapted</td>
</tr>
<tr>
<td><strong>Price</strong></td>
<td>Standardized</td>
<td>Mix</td>
<td>Adapted</td>
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<tr>
<td><strong>Place</strong></td>
<td>Mix</td>
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<tr>
<td><strong>Promotion</strong></td>
<td>Standardized</td>
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<td><strong>People</strong></td>
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<td><strong>Process</strong></td>
<td>Standardized</td>
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<tr>
<td><strong>Physical Evidence</strong></td>
<td>Mix</td>
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<td>Mix</td>
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</table>

Table 2

5.1.1 Product (Service)

In regard to the component of product there was an agreement among respondents that the component was adapted, which is interesting due to the fact that the product component is the easiest to standardize according to Hollensen (2001). Samuelsson states that they adapt the service based on the customers’ needs and due to the unique nature of service firms, this finding may be particularly related to service firms. It may be easier to standardize a manufactured
product, whereas a service needs to be tailored to fit each individual customer. Since the service is based upon the customers’ needs, the service component needs to take the culture of the target customer into consideration. Since all respondents agreed that the component is adapted, the aspect of imitation (Li, Li, & Cai, 2014) would not be as present in the service sector as it might possibly be in the manufacturing sector. Imitation may be a hard concept to embrace when the service is based entirely on the preferences of the customer. No customer will have exactly the same preferences, and within the service sector imitation is therefore not relevant in regard to product. Furthermore, in regard to the product component, there may not be any difference in regard to if the target market is the domestic market or the international market. Since all people have different preferences, even within the same country (Papavassiliou and Stathakopoulos, 1997) there exists small differences for PSFs in regard to domestic or international markets. Therefore, the component of product can be seen as adapted.

5.1.2 Price

Regarding the price component there exists disagreement between respondents. However, this fact could be due to different understandings of standardization and adaptation. All respondents bring in the aspect of the customer and its effect on the price component. Keegan & Schlegelmilch (2001) mentions this and refers to it as customer preferences. Customer preferences seem to play a vital role in the component of price due to the adaptation of the component of product. Since the service the company offers to the customer is altered, the price can also be altered. Customers have the option of different venues and different additional components to the event (e.g. Photographing), which makes it easier for the customers to influence the price of the service. However, as some respondents said, some standardization is present due to the set prices from suppliers. Keegan & Schlegelmilch (2001) does not mention this among aspects that can influence the component of price, however, they suggest that the cost situation, regulations and exchange rate play a role in the price component. This fact was not mentioned by the respondents as an important influence on the price of the service. Although, undoubtedly regulations and cost situation are unavoidable influences of price. If not considered the company can experience excessive loss due to law issues regarding regulations and a decrease in sales due to negligence of the cost situation of the customer. According to Birnik & Bowman (2007) the price component is the least standardized component, however due to certain restrictions on the adaptation approach because of the set prices, this component
can be seen as a mix of the two approaches and the idea that it is the most adapted component can be debated.

5.1.3 Place

The place component was regarded by the respondents to be a mix or perhaps more adapted. According to Onkvisit & Shaw (2004) the place component is usually more adapted since it is heavily dependent on factors such as the customers, culture and the service. This is evident within Mötesfabriken since they rely on their customers in regard to the place. Different cultures may have different preferences and thereby affect the component of place. Furthermore, one of the respondents mention culture and religion as two important elements that affect the place component. If one client is Muslim, the idea of having an event in a church should be ruled out and thereby religion affects the place. Not only religion but other factors of culture can affect the place component as well. Dimitrova & Rosenbloom (2010) mention habits of customers to have an impact on the place component and this relates back to what respondents at Mötesfabriken has said about customers preferring a certain location. Due to different habits of customers, there is a high change that these habits affect the choice of the place for the event. This is quite specific for service firms since the place can be altered a lot more than for a manufacturing firm. The place in the case of a service firm is the place where the service is held (Bhasin, 2017) and for a manufacturing firm it is where the manufactured good is sold, which makes it harder for a manufacturing firm to alter their place component. The place component can be seen as adapted due to the different elements that affect the place and since it relies on the income of the customer and the availability of venues (Theodosiou and Leonidou, 2003) it makes it hard to use standardization as the appropriate approach for the place component.

5.1.4 Promotion

There is quite a lot of disagreement between respondents in regard to the component of promotion. The remaining employees who filled out the survey also disagreed on whether promotion was different abroad in comparison to the promotion in Sweden. According to Ghauri & Cateora (2014) the promotion component will rely more heavily on the culture influence than the other aspects. This can be true for some aspects within service marketing such as altering the promotion channels or promotion information to the local culture. However,
within service firms it is hard to use the promotion component in comparison to manufacturing firms. In service firms there is more focus on maintaining a good reputation in all target markets and this can be done by focusing on the other components of the marketing mix. If a service company focuses on tailoring the events to the culture of the nation or altering the price to the customers expectation, it will be easier to gain a good reputation that will travel by word-of-mouth. In consideration of this, you can say that there are important factors that influence the component of promotion such as culture, language and religion (Theodosiou & Leonidous, 2002), however, in service firms there is less need for promotion than in other industries.

Viewing the marketing material (appendix 4) and the company website (Mötesfabriken, 2019), it is clear that the company cannot explicitly explain what they are offering, since the service is so dependent on the customer. One of the respondents said that the marketing material is mostly only translated to English to help the target market get a sense of what is offered. However, the promotion component is not emphasized as heavily as the other components. This is the case both within Sweden and abroad, since due to that the unique characteristics of service firms (Javalgi et al., 2003), it is hard to promote their services. Therefore, the component of promotion can be seen as more standardized in the service firm industry than in other industries, where the promotion component is more vital.

5.1.5 People

The respondents agree that the component of people is seen to be adapted. Since the people component is a great part of a service firm due to the emphasis human capital (Hitt et al., 2001), it is not shocking that the component of people is adapted. The respondents mention various reasons for the adaptation approach in regard to the people component, some of them being customer preferences and knowledge and skills. The respondents mentioned culture in various other components, but regarding the component of people it was not mentioned. This could be because the employees regard customer preferences to include cultural differences. However, one can then argue that the customer preferences are more important than cultural differences, since customer preferences not only cover differences in culture. However, the respondents emphasized knowledge and skills, and this confirms what Schilke, Reimann & Thomas (2009) said about education level having an influence on the marketing mix. Certain professionals within the company has certain specialties and they need to be utilized in order to please the customer.
The respondents also mention that the customers cannot get the commitment and spirit of their people from somewhere else. The other components of the marketing mix such as product and promotion can be seen as more easily standardized (Hollensen, 2001), however the people component is relatively difficult to standardize. Standardizing the component of people would mean that the same people have to work with the events every single time. This is not attainable due to several reasons. Firstly, the company will hire new employees every now and again, making the different people working with the events vary. Secondly, having an employee work with an event and certain components of the service, that they have no experience with, could complicate it for the company. However, having knowledgeable employees within different sectors and having them responsible for the events they are the most skilled, would make the company profit more. Lastly, if the company would standardize the component of people it would make it hard for them to accommodate customer needs and preferences, which is their main goal. Therefore, the component of people can be seen as adapted within the service industry.

5.1.6 Process

The respondents were in a relative agreement that the component of process was standardized because of the similarity of the process within all their events. The reason for the standardization of the process can be due to the similarity of different processes in various parts of the world. Within services around the world the process does not necessarily look very different. The way that events are organized, law firms meet clients, repair companies fix problems, all these processes are relatively fixed. However, the process can be affected by mainly customer preferences (Ghemawat, 2001). The respondents also mentioned that if customers required more meetings as part of the process of organizing the event they were granted more meetings. Customer preferences have a high influence on the process components due to the fact that other factors may have already been taken into consideration when choosing a certain outline of the process within the service firm. Therefore, cultural differences may have a slight effect on the process, but within service firms they may try to develop a process that fit a vast amount of people, thereby targeting a global consumer which Mueller (1991) states to be the way to standardize operations. Viewing the company’s marketing material (appendix 4) as well as addressing their website (Mötesfabriken, 2019) an outline is mentioned of how they will create an event alongside the customer. A set outline of the process is present; however, modifications
can be made by customers. Therefore, because of slight alterations from customers the component of process can be seen as mostly standardized and the most vital influence on the process is customer preferences.

5.1.7 Physical Evidence

The respondents agreed upon that the component of physical evidence is mixed. Since the component of physical evidence is positively correlated to the component of product, there may exist both standardization and adaptation of the component. The physical evidence component is influenced by the product component; hence the service needs to be adapted according to how the product component is adapted. However, the proof of that the service is taking place looks relatively the same, in the case for this company it is an event. This part of the physical evidence is constant. The respondents elaborated less on this component than the other components and this can be due to the fact that physical evidence is linked to product and therefore it is hard to distinguish them from one another. What is so special with the service industry and physical evidence is the fact that the component can be a mix. Within manufacturing companies, it is harder to incorporate a mix into the physical evidence, since their physical evidence is a product that is delivered to the customer, with the product looking the same as when bought and paid for. One can say that within service firms the component of physical evidence is affected by the same influences as the product component; customer preferences and culture as mentioned by Czinkota & Ronkanen (1995), however the component is also affected by the product component by itself. Therefore, the component of physical evidence is considered to be a mix between standardization and adaptation.

5.2 Relevance of the Components of the Marketing mix

With regard to which of the different components of the marketing mix that is more relevant, the respondents all agreed that the people component was seen as most important. The survey results second this argument and the majority of the survey respondents also stated that the people component was most important. The respondents from the interviews emphasized that the customers can get everything that they offer from another company, however, their relationships between employee and client cannot be replicated. This confirms Yaghoubian, Jahani & Yazdani-Chararti (2018) research on another type of service firms, where they also
stated that the people component was seen as most important. The reason for the people component to be of highest value within the service industry is because of the high emphasis on human capital and relationships. Service firms need to put more effort into having good relationships with clients, since they offer intangible services, and they work more closely with their clients than manufacturing firms do. As Yelkur (2000) mentioned, the different components are relevant in different ways. He mentioned that people, process, place and physical evidence were important elements that influence the customers perception of the service. This perception is vital to service firms, since they rely on their reputation to conduct business. Having a high reputation means more customers, and the people component aids the company in achieving this. However, when first internationalizing operations and starting to deliver services to different target markets Loo & Leung (2018) emphasize that product is the most important component. However, in Mötesfabriken's case the people within their company is seen as the most important factor independently of time reference. When the client first contacts the company, they do so because of the reputation as mentioned above. This is dependent on offering a good service, however, if the people offering that service did not have a good relationship with the clients, the likelihood of the clients recommending the company would decline. Therefore, the study by Rafiq & Ahmed (1995), where the components of product and people were seen as most important to international marketing can be second. They also found in their study that promotion and price were less critical to PSF which is in line with what the respondents at the case company said. Therefore, the most relevant component to service firms in regard to the international marketing mix can be seen as the people component followed by the product component. The least relevant components to service firms are the price and promotion components.

### 5.3 Standardization or Adaptation

Regarding which approach was seen as the most useful one, 7 of our 8 people answering the survey considered adaptation to be the better approach. This could depend on the fact that the adaptation approach can be seen as more liberate. The degree of adaptation can vary, while the standardization approach relies on set standards that cannot be changed. Some respondents in the interviews regarded standardization to be more cost-effective, however, not accommodating customers preferences and needs were seen as costly and therefore the standardization approach was seen as not profitable. However, some part of standardization will take place due to regulations and laws, but service firms may not necessarily rely on the
standardization approach as heavily as they rely on the adaptation approach. This confirms Cox & Masons (2007) research on standardization and adaptation of services where they state that adaptation is needed to satisfy consumers. However, this research does not agree with Coz & Mason (2007) on the need for standardization in the beginning of the internationalization process. The services will still be adapted to the customer and including more standardization of the other components makes no sense, since the adaptation approach satisfies customers on a higher frequency than standardization, which leads to a better reputation in the target market. However, even though the adaptation approach is preferred by the case company there are components that are a mix between the different approaches (Price & Physical Evidence). It is important to find a good balance between the two approaches and not rule one or the other out entirely as Douglas & Wind (1987) said. Consequently, both approaches are of value and it is not entirely about which approach is better but to what degree it can be useful to the company.
6. Conclusion

This section will provide conclusions based upon the analysis section. The section will provide answers to the research questions previously stated in order to show that the purpose of the thesis is accomplished.

The purpose of this study has been to investigate how the different components of the 7 Ps to Service Marketing are either standardized, adapted or a mix of the two approaches. The study has examined how the service company Mötesfabriken – a service company focusing on events – has managed to adapt or standardize their marketing mix. Due to a higher number of service firms entering international markets, it has become vital to know how to market yourselves internationally. As the company decides to enter new international markets there are factors that needs to be considered. These aspects affect the different elements of the marketing mix in different extents and due to the special characteristics of service firms it differs from manufacturing firms. To answer the first research question “To what extent do professional service firms standardize/adapt the different components of the marketing mix in international markets?” the study has found that the components of product, place and people are more adapted within service firms, whereas promotion and process are more standardized, and price and physical evidence are seen as a mix between the different approaches. The company does not solely use one approach to all different components but use both approaches separately as well as intertwined. To come up with how these different components use either the standardization or adaptation approach, different influencing factors have been found to affect this decision.

As for the second research question “Which factors play a role in the decision to adapt/standardize the international marketing mix” this study has found that not all components are affected equally by the different factors. In the table below, each component and the influencing factors are included.
<table>
<thead>
<tr>
<th>Component</th>
<th>Influences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>Cultural differences &amp; customer preferences.</td>
</tr>
<tr>
<td>Price</td>
<td>Customer preferences, set prices from suppliers, regulations, &amp; cost situation of the customer.</td>
</tr>
<tr>
<td>Place</td>
<td>Customer preferences, religion, cultural difference, &amp; habits of customers.</td>
</tr>
<tr>
<td>Promotion</td>
<td>Cultural differences, language, religion, customer preferences.</td>
</tr>
<tr>
<td>People</td>
<td>Customer preferences &amp; knowledge and skills.</td>
</tr>
<tr>
<td>Process</td>
<td>Customer preferences &amp; cultural differences.</td>
</tr>
<tr>
<td>Physical Evidence</td>
<td>Product component, customer preferences, &amp; cultural differences.</td>
</tr>
</tbody>
</table>

Table 3

One clear finding in this study is that customer preferences prove to have the highest influence on all factors. It is the influence that influences the marketing mix across all components. However, all the other influences are specific to the components and not the marketing mix as a whole. It is important when choosing to standardize or adapt the different components to not only look at customer preferences but to include all the influences that are important to the different components.
7. Discussion and Future Research

This section will provide some final thoughts on the research and possible suggestions for how future research on this subject can be continued.

7.1 Discussion of Findings

This research contributes with knowledge to the area of service marketing and aims to give more detailed insights into the marketing activities of service firms. In this study the theoretical contributions consist of the influencing factors of the extended marketing mix of the 7Ps and whether the components use a standardization or adaptation approach. Previous research has lacked in this area (Akgün, Keskin, & Ayar, 2014), where most focus was put on manufacturing firms. The research that was conducted on service firms were more general and usually focused on the original marketing mix. From this study we know more about what affects the marketing mix of the 7Ps and specific influences on each component, which was not known previously. However, one surprising finding in this study are the mixed perceptions about whether the components used the standardization or adaptation approach. The answers were relatively mixed, and this could be due to different perceptions of the concepts of standardization and adaptation. Two of the respondents in the interviews had academic degrees, whereas one did not. This could have affected how aware they were of the different approaches of standardization and adaptation, and lead to different views on how they are used in the components. The concept of a model may not be as easy to implement and use as it is in theory, therefore to theoretically be aware of the model, does not necessarily mean that the person knows how to practically make use of it.

Another question that arises is whether the adaptation or standardization approach is nation bound or whether it is the same in all countries. This research focused on the aspect of international markets as a whole and not individual countries. However, since this research focused on the components and whether they use standardization and adaptation, one can question whether the components use the same approach no matter the international market. In some markets there may be different influencing factors than the ones found in this study if researched on a national level for each of the international markets.
7.2 Managerial Recommendations

In accordance with our findings it is important to consider the results from this study in future businesses. Mötesfabriken is a successful service firm and their use of these different approaches has aided them in the growth of their business. Therefore, the advice to managers of a professional service firm would be to consider these different influential factors on the components and consider focusing on the degree of standardization and adaptation of the components this study found useful for service firms. By means of this study, managers may find it easier to decide whether to standardize or adapt part of their marketing and may not feel as if they are taking on great risks. The authors of this thesis also recommend managers of different service firms to focus on the influencing factor of customer preferences and realize its importance for business. In the service sector it is even more important to consider customer preferences due to the emphasis on human capital (Hitt et al., 2001). Service firms are encouraged to consider this fact and standardize or adapt their components accordingly.

7.3 Limitations

This study used a single-case study design in order to get more in-depth insights. However, additional research could be conducted on the same topic with a larger sample size. This would help to get more insight into the specific industry instead of a specific company within the industry. Due to the limited number of employees, there was a difficulty in attaining interviews with more than 3 employees. If the study had been conducted on a larger company, the probability of obtaining a higher number of interviews would be higher. However, the insights obtained through the data collection is of relevance and high quality and provides a good understanding of the topic due to the variety of data sources.

Additionally, the specific industry makes it harder to generalize. This study has found relevant findings for the service industry and these may differ to other industries. Even within the service industry there exists different types of service firms. This research has focused on the event aspect of service firms, and the findings are specific to service firms specializing in events. Service firms consisting of law firms, repair work or other services may find that the findings in this research is not as applicable in their service firms.
Lastly, the service firm researched in this case (Mötesfabriken) is a Swedish service firm. Service firms in other countries may feel a need to use the standardization and adaptation approaches differently, due to their specific culture and values. Therefore, there might exist different findings regarding how the components are standardized or adapted depending on country setting. In other Scandinavian countries the findings may still apply, however, in countries with a largely different culture, such as China, the findings may differ and need to be researched more.

7.4 Areas of Future Research

This thesis has given the authors a wider understanding of why service firms standardize or adapt certain elements of their marketing mix. However, this study has only provided a small section of contributing knowledge on the subject, and in order to comprehend how service firms choose to implement the different approaches of standardization and adaptation, more studies are needed to provide a broader scope. To make use of this research and continue to contribute to the existent literature on service marketing the authors suggest the following recommendations for future research:

- In order to deal with the limitation of the single-case study design. Future research could be conducted by implementing a multiple-case study design. This would help to confirm the findings in this thesis and provide knowledge on how service firms may differ in their approaches to standardizing or adapting the marketing mix components.

- Future studies could focus on institutional theory as a framework that may possibly affect how different components are standardized or adapted. In this study one of the main focuses were on culture, however, institutional distance could possible impact the choice to standardize or adapt. Since cultural distance has been emphasized in previous studies (Ricks, 1993; Tabibi Nasiripour, Kazemzadeh & Ebrahimi, 2015; Shoham, 2007; Hofstede, 1984), it could be of value to compare institutional distance to cultural distance and see what effect institutional distance has compared to cultural distance.

- Since this study is conducted on service firms that operate through events, these findings may be specific to this type of service firm. In future research it could be of value to study other types of service firms, such as law firms, repair firms, consultancy firms and the like to see whether the findings differ from the event-based service firms or whether the findings in this study apply to a variety of service firms.
Lastly, other scholars could focus on researching whether the findings of this study are nation bound or whether they apply to all international markets. Furthermore, since this study is on a Swedish service firm, it may be interesting to research service firms in other nations in order to see if the findings are nation bound. Since there are differences in culture and customer preferences even within a country (Soufani et al., 2006), it could be of value to research whether this has value for the choice to standardize or adapt the components of the marketing mix.
8. References


McLeod, S. (2017). What’s the difference between qualitative and quantitative research? Simply Psychology.


Nota, P & Govender, E. (2019). Undertaking Focus Groups. UKZN.


9. Appendices

9.1 Appendix 1 – Interview Questions

Engagement Questions - introduce the participants to the topic and start a discussion

1. Are you aware of the 7 ps to Service marketing (definition of what it is) (Product, Pricing, Place, Promotion, People, Process and Physical Evidence)?
2. What components have you chosen to standardize or adapt if you haven’t chosen to do either adaptation or standardization? (Product, Price, Place, Promotion, People, Process and Physical evidence)
3. Why have you chosen to standardize/adapt the certain components?
4. Are you using different strategies (standardize or adapt) in different countries? Why is it different? What influences this?
5. Do you equally use all factors of the marketing mix of the 7 P’s?
6. Which strategy (standardization or adaptation) do you prefer and why?
7. What are the advantages of standardization versus adaptation in your opinion?
8. From an economic point of view, is it cheaper to adapt or standardize? Does the customer have any influence when choosing that strategy?
9. Why did you want to operate in an international context? What were the first steps?

Exploratory Questions - open-ended questions with the intent to understand more about the research question and to gather information that is useful

1. Do you think the degree of standardization or adaptation has influenced the success of your company?
2. Is there any strategy behind the process of the choice, to standardise or to adapt certain areas of the marketing, possibly referring to the 7ps?
3. What circumstances do you believe have influenced the company to choose to either adapt or standardize it?
4. Has the marketing strategy (standardization or adaptation) you’ve chosen helped you to expand internationally? If so, explain how.
5. Have culture influenced your choice of marketing strategy? If Yes, please elaborate
6. If you could choose to do your marketing differently, how would you do it?
7. What are the reasons for conducting your marketing process in the way the company currently does?
8. Do you market your service differently now than you did when you started to work internationally?
9. Do you believe most people use the marketing strategies of standardization or adaptation or do you know of another strategy that other companies use?
10. Do you believe social norms, routines and rules has affected your decision on whether to adapt or standardize the marketing?

Exit Questions – intended to make sure nothing is missed or needs clarification.

1. Do you have any questions?
2. Would you like to add anything?
3. Do you feel like we have missed anything or that something needs clarification
9.2 Appendix 2 – Survey Questions

Questions and answers in Google Forms.

**Question 1.**
Föredrar ni att imitera andra företags ideer och strategier eller hittar ni på egna lösningar?

![Pie chart showing 62.5% Imitar and 37.5% Hittar på eget]

**Question 2.**
Torr du företaget använder sig utan en ekonomisk strategi (att man fokuserar på hur mycket kapital man h...man har) när man internationaliserar?

8 svar

![Pie chart showing 75% Ekonomisk strategi and 25% Betesende strategi]

**Question 3.**
Torr du att företagets rykte har hjälpt företaget att expandera utomlands?

![Pie chart showing 62.5% Ja and 37.5% Nej]
Question 4.

Tvor du att strategin ni har använt har hjälp ert företag att växa internationellt?
8 svar

Question 5.

Tvor du att de flesta använder sig an standardisering och anpassning som strategi?
8 svar

Question 6.

Tvor du att företaget är medveten om vilken strategi de använder och för och nackdelarna med båda strategierna?
8 svar
Question 7.

När ni internationaliserar, vilken metod använder ni för att penetrera internationella marknader?
8 svar

- Direkt Export
- System export (följa en klient från svensk marknad till utländsk marknad)
- Skaffa operationer utomlands (franchising t.ex.)
- Elektronisk marknadsföring (marknadsföra sig på nätet)

62.5% 37.5%

Question 8.

Använder ni standardisering och anpassning olika mycket i olika länder?
8 svar

- Ja
- Nej

50% 50%

Question 9.

Tjänar ni mer på företagsverksamhet i Sverige eller utomlands?
8 svar

- Sverige
- Utomlands
- Samma

87.5% 12.5%
General Contract Agreement

Participant Approval:
1. Agree to let the information provided during interviews be used in research.
2. Allow the researchers to audio record the interviews.
3. Allow the researchers to include names and personal information in the research.
4. Swear that all information provided from participants are truthful and accurate to the best of their knowledge.
5. The participants will be given an opportunity to review and approve the material before submission to the University for a maximum of 2 business days.
6. The company is aware that the students are engaged in education and research and not commercial activities.

Researcher Approval:
1. Agree to not disclose confidential information obtained from the company to any third party.
2. Consult the company before submission regarding material and confidentiality.

Participants

Claes Samuelsson

Anna Lundahl

Yana Larrell

Researchers/Students

Michelle Larsson

Karla Jakobsson

Date, Place
9.4 Appendix 4 – Marketing Material

Vännerna på Mötessfabriken

Kontakt

Kontakta Gunnar någon av våra trevliga medarbetare!

Vi diskar månaden, vi diskar månaden och så på fredag och på fredager och på fredager och så på fredager och på fredager och så på fredager och så på fredager och så på fredager och så på fredager och så på fredager och så på fredager...

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Från inbjudan till utvärdering

## 9.5 Appendix 5 – Supporting Quotes from Interviews

<table>
<thead>
<tr>
<th>Theme:</th>
<th>Supporting Quotes:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product</strong></td>
<td><em>I believe it is much cheaper to standardize then adapt events. Mötesfabriken as a company adapt events more in order to make customer satisfied.</em> “</td>
</tr>
<tr>
<td></td>
<td>[Jarfjäll, 38, Mötesfabriken]</td>
</tr>
<tr>
<td><strong>Price</strong></td>
<td>“In order to create the perfect event for a service firm, certain services can be adapted to customers, price cannot be adapted since customers decide how much they want to pay for the actual event.”</td>
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<tr>
<td></td>
<td>[Samuelsson, 55, Mötesfabriken]</td>
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<tr>
<td></td>
<td>“Price is adapted because we can’t control how much our customers’ wants to spend.”</td>
</tr>
<tr>
<td></td>
<td>[Jarfjäll, 38, Mötesfabriken]</td>
</tr>
<tr>
<td><strong>Place</strong></td>
<td>“Place is a mixture of standardization and adaptation. The reason why is because many variables needs to be considered such as religious and cultural perspectives as well as people’s safety but also our own safety. Having an event in India won’t be the same as having an event in Spain.”</td>
</tr>
<tr>
<td></td>
<td>[Samuelsson, 55, Mötesfabriken]</td>
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<tr>
<td></td>
<td>“The place needs to be carefully chosen and has to be adapted in order to not only reach the customer’s expectations but also in order to enhance the company’s reputation.”</td>
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<tr>
<td></td>
<td>[Lundahl, 42, Mötesfabriken]</td>
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<tr>
<td><strong>Promotion</strong></td>
<td>“It depends if the event is external or internal. For example, if promoting an external event, to the public, then the promotion will be more standardized using social media such as Instagram, online web-sites or sending out information via event apps etc. However, if the event would be internal, it is usually more adapted and always more niched. The main idea is to reach out to a smaller group of people.”</td>
</tr>
<tr>
<td></td>
<td>[Lundahl, 42, Mötesfabriken]</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td>“The process is standardized because it looks pretty much the same from the very start to the very end.”</td>
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<tr>
<td></td>
<td>[Samuelsson, 55, Mötesfabriken]</td>
</tr>
<tr>
<td></td>
<td>“In my opinion, the process is standardized because the first plan we make before we can start being creative, always has to follow the same rules such as risk analysis etc.”</td>
</tr>
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<td></td>
<td>[Lundahl, 42, Mötesfabriken]</td>
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</tbody>
</table>
| Physical Evidence | “It all depends on what kind of event there is.”  
| [Samuelsson, 55, Mötesfabriken]  
| “It’s neither standardized or adapted, it’s both.”  
| [Lundahl, 42, Mötesfabriken]  
| People | “The people make our company stay alive, without them there won’t be any events. Answering your question if the component people of the 7 P’s is adapted or standardized? I would say it is adapted because the customers decide what event they want us to make for them.”  
| [Samuelsson, 55, Mötesfabriken]  
| “The people decide what to pay us and tell us what to do. This component is seen as adapted.”  
| [Jarfjäll, 38, Mötesfabriken]  
| Focus on Components | Our customers (people) is what’s most important to us.”  
| [Jarfjäll, 38, Mötesfabriken]  
| Internationalization & Reputation | “Our reputation is what has helped us to go abroad. We don’t necessarily focus a great deal on promotion services but what we do is to emphasize on treating our customers well and accommodating their needs in order to gain a good reputation.”  
| [Samuelsson, 55, Mötesfabriken]  
| “Reputation and word-to-mouth. When people talk about us and mention us to others is how we are promoted. It is first then we know that we have done a good job! For example, comparing our service firm to a tailored service firm, it is much harder for them to adapt since they cannot print a flyer where it says the product and price since both of those will be tailored based on the customer’s wish. Therefore, reputation is even more vital to a service.”  
| [Lundahl, 42, Mötesfabriken]  
| “We use more electronic marketing which makes it easier to expand and operate internationally.”  
| [Samuelsson, 55, Mötesfabriken] |
“10 years ago, there were less possibilities for a service firm to go international than what there is now. We really have succeeded within this field!”

[Lundahl, 42, Mötesfabriken]

“As already mentioned, the marketing differs so much today. Think of all marketing tools such as social media which helps us expand and be able to do more events for other companies that we haven’t worked for! 10 years ago, there were only small headlines in the newspaper, today we market ourselves across the globe and it is easy talking to other people in other countries and operate with them. I don’t work internationally like my colleagues, but I know it has helped us to go international.”

[Jarfjäll, 38, Mötesfabriken]

<table>
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<tr>
<th>Opinions on Standardization and Adaptation</th>
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“We have chosen to work more with adaptation approach because we believe that tailoring the service to the customers is the best way to make profit, develop as a company and to keep customers. Some type of standardization needs to take place because it is unavoidable. For example, laws and regulations, set prices from suppliers and politics.”

[Samuelsson, 55, Mötesfabriken]

“We adapt more because we tailor the service to customers budget. Compared to other companies, I think it is easier for us to keep customers because we don’t offer set packages which may not be affordable.

[Lundahl, 42, Mötesfabriken]

“We have talked about this quite a lot already and I think we adapt more because we believe every customer is different and the events we create are unique.”

[Jarfjäll, 38, Mötesfabriken]

“Adaptation is more expensive but leads to higher profit and more satisfied customers. The employees find it more inspiring to work for a company where they can be a part of the adaptation process and come up with ideas. This leads to less sick leave, better relationships within the organization and less depression.”

[Samuelsson, 55, Mötesfabriken]

“Standardization is always the cheapest option unless we know local people working near where the event is taking place.

[Lundahl, 42, Mötesfabriken]
“Adaptation is less expensive and focus on the loss of customers that is related to standardization.

[Jarfjäll, 38, Mötesfabriken]

“The companies who standardize more than us receive some of our dissatisfied customers. We do not want a completely planned service and are mostly able to influence the service and tailor it to our needs. Therefore, the degree of adaptation is one of the factors that has influenced our success the most since it has given us more customers. Of course, we do adapt depending on cultural preferences.

[Samuelsson, 55, Mötesfabriken]

“Yes, both has an influence. When going international there are various cultures to consider and if the company in question does not adapt to accommodate their needs, they will quickly fail in that market. Culture is a big part in order to adapt internationally.”

[Lundahl, 42, Mötesfabriken]

“We adapt differently depending on who it is and what culture or different religions there are, I would say both standardization and adaptation has an influence on the company.”

[Jarfjäll, 38, Mötesfabriken]

<table>
<thead>
<tr>
<th>Culture</th>
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<tbody>
<tr>
<td>“Yes, we adapt most of our services and actions based on culture”</td>
</tr>
<tr>
<td>[Samuelsson, 55, Mötesfabriken]</td>
</tr>
</tbody>
</table>

Yes, even though cultures nowadays become more alike, there is still need for adaptation to take place in order to satisfy as many customers as possible.”

[Lundahl, 42, Mötesfabriken]

“Yes, with different cultures you need to adapt even more to accommodate their needs”

[Jarfjäll, 38, Mötesfabriken]