

On Globalization: Globalization versus Standardization

I like Mars bars and I like tea.

Only the Mars bars I like are the ones from England and my favorite tea is Higgins Afternoon Blend from H.R. Higgins Ltd.

Thankfully, with global distribution services I'm able to have both whenever I want them. (Although with the strength of the pound against the dollar right now and the costs of delivery, shipping on my tea is costing far more than the tea itself. Oh well.)

I'm often asked why – particularly in the Mars bar department – I prefer the British to the American version. That's easy. The British version isn't as sweet and as a result there are more layers to the flavor than in its American counterpart.

As for the tea, there is simply no blend I've ever been able to find that compares to Higgins Afternoon. Only that being said, I also prefer Tetley to Lipton Tea – even though the latter is far more available in the States and far less expensive.

Again, why? It's a taste thing. I simply prefer British teas in general – from their basic India blends to their specialty teas.

And now, why I am taking your time telling you about my chocolate and caffeine habits?

It's all about globalization – and particularly what happens when companies and industries mistake globalization for standardization.

While this has been a topic I've thought about and dealt with over the years, a different and engaging view of the impact of globalization came to my attention recently in a book I read. The book is [The Accidental Connoisseur: An Irreverent Journey Through the Wine World](#) by Lawrence Osborne (North Point Press, 2004) and it brings to the fore the risks of globalization gone amok.

Osborne is British born, lived on the Continent and now makes his home in New York. He is a writer by trade and a lovely raconteur, taking his readers through a seemingly meandering path to visit wineries in Italy, France and California.

We meet vintners and corporate executives, locals and international importers. We become familiar with the language of wine and how it has changed in the recent past. We learn of the impact of critics and the press – and how taste, when all is said and done, is still personal . . . no matter what the "experts" may tell us.

Ostensibly, the book is about Osborne's attempt to graduate from being an accidental connoisseur to one who is fully knowledgeable and well trained with both the appropriate nose and palate.

In fact, the book is a fascinating exploration into the impact of a globalized world on a very specific consumer industry.

Wine is changing because tastes are changing. Tastes are changing because the market is changing. The market is changing because wine has become a commodity product – a global industry instead of a specialized, niche product type.

Wine has always been exported but the advent of the California – and now Australian and New Zealand – wineries has changed the face of the export market.

Where France had the corner on the fine wine markets in the past, that is no longer the case. California wines have had their impact – on fine wines and on creating whole new markets for wines among consumers who previously would not have thought to include wine as part of their daily lives.

The wine industry is being forced to rethink its product – from vine densities and their impact on the taste of the grapes to the use of technology that has driven the California wineries from their inception to whether there really is a place for *terroir* in the lexicon and taste of wines any longer.

It is this last component that puts the globalization versus standardization issue into its clearest focus.

Terroir is the land. It is the taste within the wine that is representative of the particular region and its geology from which the wines originate. It is why the grapes – and their resultant wine – taste the way they do.

And it is *terroir* that is at risk because of a preference for standardization.

Italian wines already had an established place on the American palate so, while keeping watch on the market, there hasn't been a great need for change in their flavor.

It is the French wineries that are shifting their formulations to reflect the taste preferences that California wines have created. French wines are becoming ersatz California wines – and it is a tragedy.

How will consumers be able to differentiate between a French, Italian, Californian, Australian or New Zealand wine? What is the integrity that is being given up simply to reflect market trends? Are price point and volume sales more important in every case than quality and consumer development?

Granted, there are the *garagistes* in Europe and America who are working to re-establish *terroir* and train the consumer palate simultaneously. These are the Hewlett, Packard and Jobs of the wine trade – and like their technology counterparts, they are starting on a small scale with an eye toward building large, specialized consumer markets.

But it is that specialized aspect that is most important. While sales volume is important, corporations and industries cannot and should not continue to treat everyone as if they are the same – no matter what the country of origin or delivery destination.

Industries and organizations – large and small – must look beyond volume sales to see the consumer as individuals. Not the "mass customized" categories of consumers that were created and targeted. (And if "mass customization" isn't an oxymoron, I don't know what is.) But to understand that each country, each region and each individual is just that – individual – with respect that needs to be paid to that individuality and what makes it special.

It can be argued that this is not just globalization. It is the Americanization of the world. Frankly, that is a different subject and deserves a discussion of its own.

For my part, the issue at hand is the respect that corporations and their executives are willing to pay to the individuals and countries they serve. It would be a sad world, indeed, if we were mistaken and treated on a worldwide basis as if there were no differences. We would lose so very, very much. We would lose the richness in our lives.

This standardization trend started with McDonalds and Coca-Cola. It has now extended to the wine industry. It will undoubtedly go even further.

Just leave my Mars bars and my tea alone.

About the Author

Leslie L. Kossoff, internationally renowned executive advisor specializing in strategy and corporate turnaround, was cited by *About.com* as **“one of the most intelligent and perceptive voices on executive and managerial leadership today.”** For over 20 years, she has assisted clients in the public and private sectors in the U.S., U.K., Europe and Japan. Her clients, ranging from start-ups to multi-nationals, include Sony, Kraft Foods, the UK National Health Service, Fidelity Investments, Seiko/Epson, 3M and others.

A former C-level executive in the aerospace/defense, pharmaceutical and entertainment industries, Leslie enjoys an outstanding reputation as an invited speaker at conferences around the world. She is the author of two books, including the award-winning *Executive Thinking*, is the editor of the blog EU Economic Engine and writes regularly for *Horticulture Week/The Grower* focusing on business and management issues in the agricultural industry. Having written over one hundred articles in journals including the *Financial Times* and *CEO Magazine*, she is frequently quoted in *Entrepreneur*, *Investor's Business Daily* and is a regular guest on the syndicated “Small Business Advocate” radio program. Jim Blasingame, its host, cites Leslie as **“one of the top organizational thinkers for executives and business owners.”**

During her association with Dr. W. Edwards Deming, the quality management expert credited with turning around Japanese and Western industry during the latter half of the last century, he declared Leslie **“Quite simply one of the best at implementation.”**

Leslie is a founding Board member of the Global Women's Leadership Center at Santa Clara University Leavey School of Business, serves on the Advisory Board of the Russia Research Network, is the former director of the Institute for Quality and Productivity Improvement at California State University, Long Beach, has been a member of the Judges Panel for the Sterling Award for Quality in California and is included in the *Who's Who Registry of Global Leaders* among others.

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