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Author(s)	Triyonoputro, Joshua Christanto
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ふりがな　氏　名	スリヨノプトロ　ヨシュア　クリスタント Triyonoputro Joshua Christanto	学部 学科	基礎工学部 システム科	学年	２年
ふりがな　共　同 研究者名		学部 学科		学年	年
					年
アドバイザー教員 氏名	Pierre-Yves Donzé	所属	経済学研究科		
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研究成果の概要					

1.Introduction

Pokémon is a franchise originated from 1996 Nintendo Game Boy video games called "Pokémon Green" and "Pokémon Red". In those games, players can capture and collect monsters called Pokémon, as well as trade them with other players' Pokémon using Game Boy's inter-device connectivity feature. As of 2016, it is one of the best-selling game franchises worldwide, with more than 289 million units sold. It is also a successful media franchise, with total revenue of about 4.6 trillion Japanese Yen as of 2015 [1].

Hatano [2], Buckingham and Sefton-Green [3] argue that the reason behind the franchise's success is in its cross-media marketing strategy, focusing on marketing games not just through advertisements, but also through other side products such as trading card games and *anime*. However, this strategy is only made possible by extensive localization, to the point where Pokémon can be seen as the manifestation of "glocalization" [3]. Dialogs, names of Pokémon, characters, and places are not just transliterated or translated, but changed. For example, a Pokémon called *Fushigidane* in Japanese, which means bizarre seed, is named Bulbasaur in English. This is because it looks like a dinosaur with a bulb on its back. In addition, advertisements are made locally by local employees native to the area. To provide a clear summary on which key aspects of Pokémon are localized, a summary is presented on Table 1 below.

Table 1: Summary of Key Aspects Localized in Pokémon Products

	Key Aspects Localized (before 2013)		Key Aspects Localized (as of 2016)
1	Dialogs	1	Dialogs
2	Most of characters' names	2	Most of characters' names
3	Most of Pokémon's names	3	Most of Pokémon's names
4	Most of Pokémon's moves	4	Most of Pokémon's moves
5	Most of names of places	5	**Some** names of places
6	Music (in *anime*)	6	Music (in *anime*)
7	Most of its advertisement videos	7	**Some** advertisement videos, **especially ones**

			related to *local events and non-game products*
8	Culturally inappropriate scenes	8	Culturally inappropriate scenes

However, since 2013, The Pokémon Company (TPC) has slowly lessened its localization effort as seen from the difference between the left hand side and right hand side of the above Table 1. For example, along with the introduction of simultaneous video game release, The Pokémon Company (TPC) released a global advertisement video in Japanese (and subtitles in respective languages) for its next games, "Pokémon X" and "Pokémon Y" in 2013 [4]. Moreover, in 2016, it released worldwide advertisement video series called "Train On" [5] and a 20-year anniversary advertisement video in English (and subtitles in respective languages), where the company announced another set of video games, "Pokémon Sun" and "Pokémon Moon" [6]. Moreover, while not the same, many of its recent game related advertisement videos found in the U.S. were increasingly similar to the ones shown in Japan. In addition, several names of places in its latest games, "Pokémon Sun" and "Pokémon Moon", released in 2016, are merely transliterations or translations. For example, Hau'oli City [7], Malie City [8], Po Town [9] are direct transliterations of Japanese names. *Koneko Siti-*[10] is closely transliterated to Konekone City and Seafolk Village is directly translated from Japanese [11]. Whereas, all English names of places in "Pokémon X" and "Pokémon Y", their predecessors, are completely different from their Japanese names.

At first, this shift to lessen localization can be considered to be a queer one, given that localization is essential for Pokémon's success since its inception in 1996. However, through a comparison of the history of Pokémon and the early history of video game industry from the early 1970s to late 1990s, this essay aims to propose a glocalization model to make sense TPC's shift to a more globalized marketing strategy.

Organization-wise, this essay is divided into four major sections. Section 1 introduces "glocalization", the main concept used in the discussion. Section 2 provides a brief history of the video game industry and Pokémon. In section 3, an explanation of the proposed model to understand TPC's shift to a more globalized marketing strategy will be given, before concluding the essay in section 4.

1.1.Glocalization

Glocalization is a combination of globalization and localization. This concept believed to have originated, "in the specific context of talk about globalization, in Japanese business methods in the late 1980s" [12]. Moreover, glocalization "means the simultaneity – the co-presence – of both universalizing and particularizing tendencies" [13]. The word originated as a modification to the ideology of globalization. Hence, to understand the concept of glocalization, first, there is a need to understand the concept of globalization.

Globalization as a term was coined by Economist Theodore Levitt in his paper "Globalization of Markets", where he explains the idea of the world becoming one big market [14]. In the social realm, it is defined as "processes by which the peoples of the world are incorporated into a single world society" [15]. Although it is arguable whether the world will end up being "a single world society", the process of becoming more homogeneous is increasingly tangible in daily life along with the advent of the internet. Every day, billions of users worldwide are connected to the internet, generally free to share, read or watch content from many countries through websites such as Facebook, Google, or Baidu. In the world of economics, the idea of globalization is generally considered to have two meanings, empirical and ideological [16]. Empirically, it refers to real changes in the structure of international economy. Ideologically, it refers to the idea of a new level of free market, where there exist no more barriers of entry and national borders are obsolete. This is the idea aptly summarized by the title of a book "The World Is Flat" [17].

However, this popular idea of "flat" is increasingly believed to be a "myth" [16]. This means that national borders, as well as virtual "borders" including cultural and language barriers still generally exist. Hence, many of the times, before a product or service goes to another country, it needs to undergo localization, a process involving "the adaptation of any aspect of a product or service"…"to be sold or used in another market" [18]. This gives rise to the concept of glocalization, which involves adapting a product or service before going global. In video game industry, which is the main industry discussed in this paper, glocalization is extremely important. This is because games are often imbued with inherent cultural beliefs specific to a place, which might be unrecognizable by those from other places. Hence, for games to be well received by the market, it has to be localized [2].

2.Background Historical Research

This section is divided into two subsections. The first gives an overview on the history of the video game industry with focus on glocalization efforts. Then, the history of Pokémon will be explained in the following subsection.

2.1. History of Video Game Industry

2.1.1.The Birth of Video Game Industry

At its origin, the video game industry was the arcade industry, with its pinball machines in the 1950s and 1960s. However, in 1973-1976, along with the development of the transistor, Silicon Valley's electronics companies revolutionized the industry, pioneered by Atari with the creation of Pong and several other games [19].

Atari was an American video game company with the U.S. as its main market. In 1973, Atari developed its first game, Pong, which was a video game based on tennis. Atari introduced the game as an arcade machine in the local neighborhood, where it gained much popularity. Atari managed to earn about USD 100 in one day and reach its breakeven point in 4 days [20]. Its arcade machines were soon sold around the U.S., and Atari went to develop a home console called Home Pong in 1975 [21]. However, increased adoption of cheap microprocessors for commercial use, such as General Instrument's LSI (AY3-8500), made it possible to replicate Home Pong easily. Hence, video game console market in the U.S. was saturated, and video game console producers including Atari engaged in price war [20].

In the same year, a new generation of video game (the second generation) consoles started with the adoption of cartridges enabling users to play multiple games by swapping cartridges. This was first implemented in 1976 Fairchild Channel F's Video Entertainment System (VES) [20]. Atari followed through and released its own version known as Video Computer System (VCS). It was later renamed as Atari 2600.

Since 1977, Atari became the market leader with its Atari 2600 (with nearly 400,000 units sold and USD 20 million net profit in 1979 alone) [21], and video game industry grew, with video game consoles in its center. Atari went global by expanding Atari 2600 sale to Europe in 1978 and Japan in 1982. However, most of its sale was still concentrated in the U.S. Hence, when the video game business crashed in 1983, Atari was badly affected. The main cause was arguably the proliferation of computers. Since then, the development of video games in the U.S. slowly died.

2.1.2.The Rise of Japan in Video Game Industry

Meanwhile, in the early 1980s, the situation in Japan was different from that in the U.S. There was no dominant console like Atari 2600 in the U.S. [22] and the local industry was minimally affected by the 1983 crash [19]. The industrial organization in Japan was different from the one in the U.S., with two giant companies, Nintendo and SEGA, instead of one. At this time, these two companies fought for control in the video game console industry, as arcade games began to slow down. In 1980-1982, Nintendo's hand-held console, Game & Watch, sold well, as its

screen was a SHARP patented device, preventing entrance from entering the market [23]. In 1983, the third generation console era started, with Nintendo's Family Computer (Famicom) and SEGA's SG-1000 in the center. However, with a strong background in handheld consoles [19], innovative features, such as hardware-scrolling [22], and its third-party licensing model [23], Famicom won the fight in Japan since its release in 1983.

Having succeeded in Japan, Nintendo targeted the U.S. market. However, knowing that circumstances in the U.S. were different, with the aftermath of Video Game Crash of 1983, Nintendo realized the importance of localization and treaded its product introduction process carefully. First, to test whether there was still a market for video games, Nintendo exported Famicom disguised as arcade game machines [23]. These machines were popular [23], giving Nintendo the necessary confidence to enter the U.S. market.

Hence, Nintendo took a three-prong approach to promote its Famicom in the U.S. First, Nintendo established a call center and a magazine called "Nintendo Power". These media are platforms to tell the market about what good games were like [24], where examples of Nintendo games would be explored. This magazine gained popularity and had more than 1 million subscribers in the 1980s. Secondly, Nintendo rebranded Famicom as Nintendo Entertainment System (NES) to avoid connection with consoles prior to the 1983 Video Game Crash. On top of that, the casing was redesigned to resemble a Video Cassette Recorder (VCR) player, a well-established product by the 1980s. Lastly, Nintendo made its own censorship which limited the scope of games to those that were "not too strange, too foreign, too different" [24][25]. This especially applied for games with religious references. For example, "Devil World" was not released because of its reference to devil, which might lead to Nintendo being accused as "occult" [26]. Instead, *mukokuseki* games [27], which mean games without much cultural references, like Mario Bros., were released and promoted in the U.S.

With its strong focus on localization, Nintendo managed to enter the video game market, led the revival of video game industry in the U.S., and emerged as the market leader with 90% of market share in 1987 [22]. With such dominance, video games became synonymous with Japanese video games. This dominance continued to the fourth generation game console race, with SEGA's Mega Drive and Nintendo's Super NES, released in 1991, fighting for market share [22]. Here, Nintendo relaxed its casing design, featuring similar U.S. and Japan casing variants. However, Nintendo's game censorship guidelines were just as strict as the ones in 1980s [28]. By the fifth generation, in mid 1990s, the industry was still dominated by Japanese companies [29]. Nintendo completely did away with localized casing designs, and its localization guidelines were more relaxed, as a new centralized board called Entertainment Software Rating Board (ESRB) began to categorize games to different age groups [28]. This was a fortunate moment for Nintendo, because its censorship practices were deemed as "an embarrassment and a financial liability" by the mid-1990s, and Nintendo was seen as a childish company [28].

2.2.History of Pokémon

The previous subsection gives the history of the video game industry from the early 1970s to the late 1990s. This subsection introduces the history of Pokémon, with focus on its glocalization efforts. In the early 1990s, a team of young game developers led by Satoshi Tajiri (CEO of Game Freak. Inc as of 2016) began to create a game for Nintendo Game Boy. They were managed by Tsunekazu Ishihara (working at Creatures. Inc back in the 1990s and CEO of TPC as of 2016). Unfortunately, the project was plagued with delays and Ishihara, Tajiri and the team asked for Nintendo's support. Nintendo gave creative and technical guidance and funding [2]. The game was released in 1996, with Game Freak. Inc, Creatures. Inc, and Nintendo sharing the copyright of Pokémon.

However, instead of just releasing and advertising the game as a game, Ishihara marketed the game

through multiple media, a concept known as Media Mix [2][30] or cross-media marketing strategy [3]. First, he asked Nintendo to be in charge of advertising of Pokémon. Secondly, he expanded Pokémon as an *anime*, a "thirty minute commercial" [2]. Lastly, he expanded Pokémon into a trading card game. Having succeeded in Japan, TPC was founded in 1998. In that year, TPC and Nintendo went on to "flood the United States with Pokémon Game Boy cartridges, television show episodes, trading cards, and ancillary merchandise" [31]. Before entering the U.S., all of the contents underwent localization, as explained in section 1. Through the use of cross-media platform, Ishihara and Nintendo successfully maximized "a kind of economy of scale: the more there is, the more unavoidable it becomes, and so the more one seems obliged or compelled to pursue [Pokémon]" [3]. Pokémon became a social phenomenon, with a lot of coverage from the media [31], and saved the sales of Nintendo Game Boy [3]. The story repeated itself in other countries, such as Europe, Latin America, and East Asia [31].

Unfortunately, Pokémon as a social phenomenon ended in the early 2000s [32]. None of succeeding generation Pokémon video games released beat the first generation sale, with about 45 million units sold. Moreover, Pokémon is increasingly seen as more of a specialized good, with loyal fans, or *otakus* [32], although its products are still aimed for young children. With such a strong fan base, TPC started holding Pokémon World Championship every year since 2007, first for card game, then for video game. By focusing on its strong fan base through such events and constantly enticing new generation of young children through cross-media marketing, Pokémon continues to be successful, with about 15 to 20 million of unit of main video games sold per generation (7 generations as of December 2016).

However, as discussed in section 1, since 2013, TPC has started to reduce the amount of localization done. This feels counterintuitive, given that it still employs the same cross-media marketing strategy. After all, cross-media marketing strategy involves media and cultures. And cultural beliefs need to be localized such that the content will be more acceptable [2]. Therefore, the next section aims to propose a glocalization model to understand TPC's shift from historical review discussed in section 2.

3. Analysis

This section proposes "The Slide Curve", a glocalization model based on comparison of the history of Pokémon and the history of video game industry until the late 1990s. Through this model, a better understanding on TPC's shift to a more globalized marketing strategy can be obtained. The model is presented on Figure 1 below.
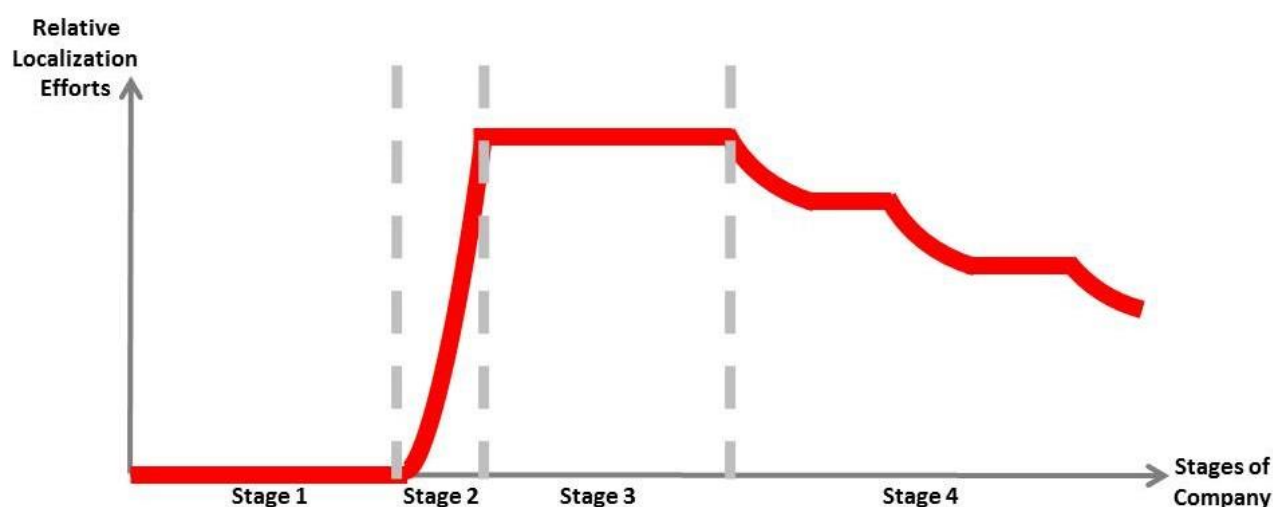

Figure 1: The Slide Curve

This model compares the relative localization efforts that a company requires at four different stages. Relative localization efforts here refer to efforts that a company needs to spend to ensure its products/services are suitable for consumption in foreign markets. Hence, local efforts put in home country such as local advertising efforts are not included. It is relative because when the size of the company in a certain foreign country gets bigger, the company usually puts in more total efforts on advertising there. However, relatively speaking, it may localize fewer aspects of its products/services, resulting in lower relative localization efforts.

Next, each stage will be explained with reference to the history discussed in section 2. Stage 1 refers to the time when a company operates locally. TPC, Atari, as well as Nintendo all began by operating locally. At this stage, these companies were not concerned with localizing their products to suit foreign market. Therefore, there is no associated localization efforts involved. Instead, strategies generally focus on how to success locally.

After having some success in the local market, companies may try to expand to global market. From section 2, it can be observed that TPC, Atari, and Nintendo all decided to challenge global market. However, Atari had limited success because it merely sold the same products in other countries. On the other hand, TPC and Nintendo both engaged in extensive localization processes and succeeded. This is in line with the idea of glocalization, whereby products/services need to be meticulously tailored to each market in order to succeed.

Moving on, Nintendo in the late 1980s and TPC in the 2000s continued to localize their products. As the year progressed, these companies' brands were slowly established in the industry. This is Stage 3. At this point, the glocalization strategy was followed through because of its previous success. Moreover, both companies were by this time no longer new players in market, and its products continued to sell well.

However, Nintendo in the early 1990s, with the transition from the third to the fourth generation video game console era, began to reduce, though minimal (mainly Super NES casing design), its localization efforts. This marked Nintendo's transition from Stage 3 to Stage 4. Moreover, by late 1990s, it had reduced its localization efforts further, with relaxed censorship made possible by the founding of ESRB. Surprisingly, instead of doing harm, its relaxed localization saved Nintendo from being deemed childish by its customers.

Looking at this model, it can be seen where TPC is at now in 2016. Having garnered a strong fan base and established brand, TPC is currently somewhere at the end of Stage 3 and the beginning of Stage 4. With the introduction of simultaneous release, the company could then advertise its product globally (since consumers worldwide can get access to its product at the same time). This enables TPC to leverage more economics of scale (worldwide), more than how the company leveraged it in the late 1990s using cross-media marketing strategy as Pokémon became a social phenomenon.

As a summary, the four stages are as follow. Stage 1 is when a company operates locally. Stage 2 is when a company tries to enter a foreign market. Once the company manages to enter foreign markets, the company enters Stage 3 where it needs to keep localizing its products/services to establish its brand position in the market. Finally, when its brand is well-established and the conditions permit, the company enters Stage 4. Here, the company can then lower its relative localization efforts, and/or keep its relative localization efforts constant while waiting for further conditions which may allow further lessening of relative localization efforts.

4. Conclusion

In conclusion, TPC's shift to a more globalized marketing strategy follows "The Slide Curve", similar to strategies employed in the video game industry from its inception in early 1970s to late 1990s. Indeed, whether this model can be observed in other industry and other time period is a question open for future works. However, at least one

key point can be learnt from the model proposed. While glocalization of products and services is essential, increasing the amount of efforts put into localization is neither always necessary nor beneficial. Instead, it depends on the stage where the company is at. Lastly, the writer hopes that this model will be helpful for companies in their glocalization related decision making.

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