Cultural Influences on International Marketing

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Chapter Objectives

- Identify **elements of culture** and examine how they affect international marketing practices around the world.

- Describe **national and regional character** based on dimensions such as time orientation, business practices, gift giving, socializing, gender roles, and materialism.

- Discuss cultural variability in terms of the **Hofstede dimensions** with appropriate examples and address cultural change in a marketing context.

- Address the **self-reference criterion and ethnocentrism** and describe how they impede mutual understanding and cooperation, with direct negative effects on marketing practices.

- Describe the **global consumer culture** as it manifests itself around the world.

Culture

- Culture is defined as a continuously changing totality of learned and **shared meanings**, **rituals**, **norms**, and **traditions among the members of an organization or society**.

- Culture is also defined as a **society's personality**.
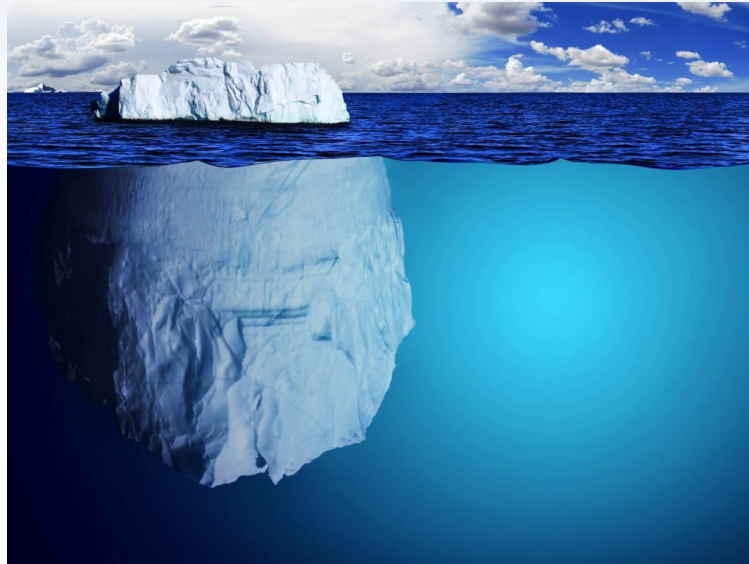
Subcultures
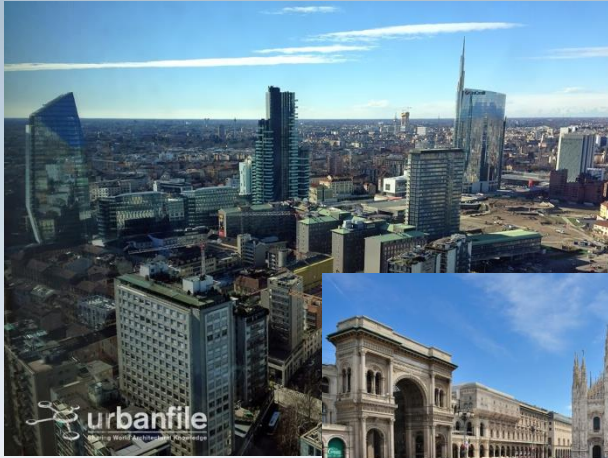
Milan

Rome

Naples

Elements of Culture

- The main elements of culture are:

  - Language
  - Religion
  - Cultural values
  - Cultural norms

Elements of Culture: Language

- **Spoken/Written Language**
  - Same word, different meanings
  - Poses a number of concerns to marketers:
    - It creates difficulties in terms of correct translation
    - Marketers may experience dilemma in unified markets where multiple languages are used as to which language(s) to use (India with more than 3000 dialects)
    - High costs of translation.
    - Language and target (for example, foreigners living in the United Arab Emirates)
    - Written language convey meanings (n°4)

Problems of translation

- For example, the Chinese translation proved difficult for Coke, which took two tries to get it right.

- They first tried **Ke-kou-ke-la** because when pronounced it sounded roughly like Coca-Cola. It wasn't until after thousands of signs had been printed that they discovered that the phrase means "**bite the wax tadpole**" or "**female horse stuffed with wax**", depending on the dialect. Second time around things worked out much better. After researching 40,000 Chinese characters Coke came up with "**ko-kou-ko-le**" which translates roughly to the much more appropriate "**happiness in the mouth**". http://www.takingontobacco.org/intro/funny.html

Elements of Culture: Language

Nonverbal communication

- Proxemics: The relationship between physical space and the process of communication (distance between people in the communication process)

- Postures, orientations, and oculesics: Individuals' positioning relative to their counterpart and the use/avoidance of eye contact during communication.

- Chronemics: The timing of verbal exchanges in a conversation with others.

- Haptics: The use of touch while conversing.

- Kinesics: Movements of parts of the body to facilitate communication, such as gesturing.

- Paralinguistics: Non-verbal aspects of speech, including emotional intonation, accents, and the quality of voice.

- Appearances: One's physical attire and overall grooming.

- Olfactions: Use of odors to convey messages, whether religious or personal. For example, not in all countries body odor is offensive

Low context cultures (US, Canada, Germany, Switzerland

- What is said is precisely what is meant: the verbal message carries the full meaning of the sentence. Limited non verbal language.

High context cultures (East Asia, Middle East, Central and Southern Europe…)

- The message source, his or her standing in society or in the negotiating group, level of expertise, tone of voice and body language: everything is meaningful. Relationship are highly valued, trust is crucial.

Elements of Culture: Religion

- Defines a society's relationship to the supernatural.

- Determines dominant values and attitudes.

- Religious beliefs are important determinants of consumer behavior and can be linked to cultural behaviors that impact economic development and marketing.

Religion and Its Impact on Business

- Religion and business days:
  - Dominant religion determines prayer time, the time for fasting, and creates restrictions on businesses.

- Religion and gender roles:
  - Differ from country to country – for example, in traditional Islamic countries, women's business activities are restricted to a women-only environment, and genders do not interact outside the family.

- Religion and gift giving:
  - Marketers must be aware of religious holidays as gift-giving events.

- Religion and marketing practices:
  - Firms often must adapt their offering to the local culture to address consumers' religious concerns. Firms must also advertise according to the norms in certain cultures – for example, avoiding to portray women in Saudi Arabia.

Elements of Culture: Cultural Values

- Values are enduring beliefs about a specific mode of conduct or desirable end-state.

- They guide behavior and are ordered by importance in relation to one another, thus forming a system of value priorities.

- Because they guide individuals' actions, attitudes, and judgments, cultural values affect consumer product preferences and perception of products.

Some exemples: China Shampoo Ad - Values of Success and Strength:
http://www.youtube.com/watch?v=imWeRR2GtxU

Plate 23, Figure 15.13 Advertisements for LEGO Freestyle in Europe and the Far East

Learning New Cultures

- Enculturation
  - Process by which individuals learn the beliefs and behaviors endorsed by one's own culture.
- Acculturation
  - Learning a new culture.
- Assimilation
  - Full adoption and maintenance of the new culture, and resistance to one's old culture.

Elements of Culture: Cultural Norms

- **Norms** are derived from values and defined as rules that dictate what is right or wrong, acceptable or unacceptable.

  - **Imperative**
    - What an outsider must or must not do.
  - **Exclusive**
    - What locals may do but an outsider cannot do.
  - **Adiaphora**
    - What an outsider may or may not do.

National/Regional Character

- Time orientation:
  - Monochronic time (M-time) – attributed to cultures where individuals usually do one thing at a time, sequentially.
  - Polychronic time (P-time) – attributed to cultures where individuals perform multiple tasks at once, and tend to see time as fluid.

- Business hours, business days:
  - Business do not operate:

  on Sundays in Christian countries,
  on Fridays in Muslim countries,
  and on Saturdays, in Israel.

- Gift giving:
  - Knowing what gifts are appropriate, along with the manner in which they should be presented is essential.

National/Regional Character (contd.)

- Socializing:
  - Appropriate conversations, talking business at dinner, etc.

- Gender roles:
  - Gender roles and role-related expectations are important when establishing business relationships.

- Status concern and materialism:
  - Familiarity with consumer concern for acquisitions and social status helps marketers determine appropriate marketing strategies.

Other Manifestations of National and Regional Character

- Contact
  - e.g., phone, e-mail, in person.
- Access
  - e.g., transportation by bicycle, personal automobile, public transportation.

European and Asian consumers are more likely to travel by bicycle

Cultural Variability

- Term used to differentiate between cultures on the Hofstede Dimensions, which are:

  - **Power Distance**: this dimension expresses the degree to which the less powerful members of a society accept and expect that power is distributed unequally (Hofstede)

  - Your book: the manner in which interpersonal relationships are formed when there are perceived differences in power.

| U.S. | Germany | China |

Low   **High**

- Uncertainty Avoidance
  - The extent to which individuals are threatened by uncertainty and risk and thus adopt beliefs and behaviors that help them to avoid the uncertainty.

U.S.		China

**Low**   **High**

Cultural Variability

- Masculinity/Femininity
  - Hofstede: The Masculinity side of this dimension represents a preference in society for achievement, heroism, assertiveness and material rewards for success. Society at large is more competitive. Its opposite, femininity, stands for a preference for cooperation, modesty, caring for the weak and quality of life.
  - The extent to which a culture is characterized by assertiveness, rather than nurturing.

| Sweden | | United States |

**Low Masculinity**

High Masculinity

Cultural Variability (contd.)

- Individualism/Collectivism
  - The extent to which individuals prefer to act in the interest of the group rather than in their own self-interest.

Thailand		United States

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Low Individualism   **High Individualism**
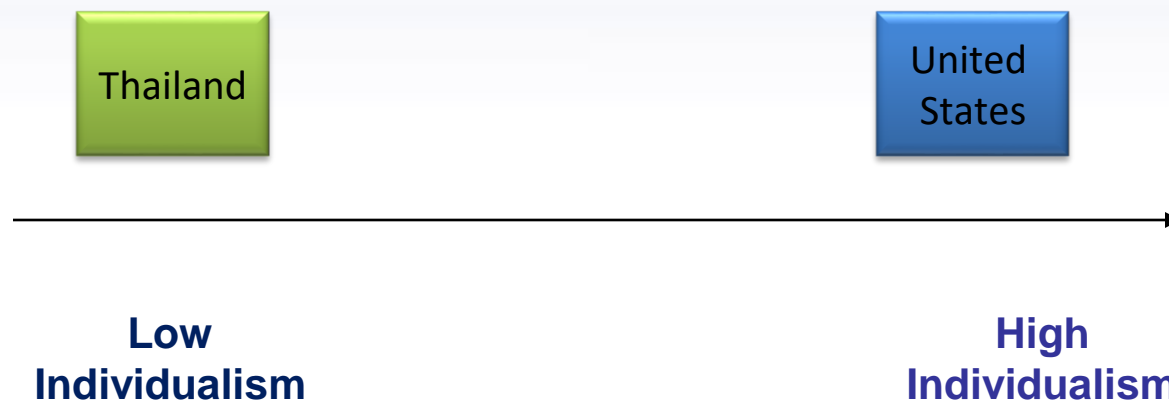
High vs. Low Context Cultures

- **Low-Context cultures:**
  - What is said is precisely what is meant.

- **High-Context cultures**:
  - The context of the message is meaningful
  - Context: Message source is important:
    - The source's standing in society or in the negotiating group.
    - The source's level of expertise, tone of voice, body language.
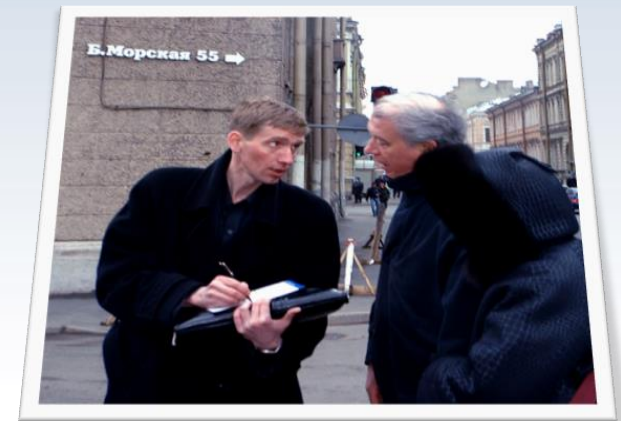
Cultural Change and Marketing

Marketers need to integrate culture when designing a marketing strategy by going through the following process:

Researching symbolic elements and cultural meanings in consumers' lives

⬇

Identifying cultural meanings of the product

⬇

Designing the product accordingly

⬇

Designing the marketing campaign using symbolic cultural elements

Obstacles to Cultural Understanding

- Ethnocentrism
  - The belief that one's own culture is superior to another and that strategies that are used in the home country will work just as well internationally.

- The Self-Reference Criterion:
  - The unconscious reference to one's own national culture, to home-country norms and values, and to their knowledge and experience in the process of making decisions in the home country.

Global Consumer Culture

- Defined in terms of shared consumption-related symbols and activities that are meaningful to market segments; attributed to the diffusion of Western products to the rest of the world.

  - Entertainment (MTV, movies, CD's)
  - Hamburgers and pizza
  - Jeans and running shoes, etc.

MONFORT
COLLEGE of BUSINESS

Global Consumer Culture Trends

- Proliferation of transnational firms and the related globalized capitalism.

- Globalized consumerism and the desire for material possessions.

- Homogenization of global consumption.
    - Referred to McDonaldination or Cocacolonization

Positioning Based on Culture

Three alternatives:

- Global consumer culture positioning
  - Positioning the product to appeal to individuals who want to be part of a global consumer culture.

- Local consumer culture positioning
  - Positioning the product so that it is associated with local cultural meanings.

- Foreign consumer culture positioning
  - Positioning a products as symbolic of a desired foreign culture (e.g., French perfume, Andean folk music, etc.).