

Cultural identity is a  
common issue for  
global business



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The notion of globalization and development in the changing world has greatly affected the concept of cultural identity in specific areas around the world. According to Jameson(2007), culture is “ the coherent, learned, shared view of a group of people about life’s concerns that ranks what is important, furnishes attitudes about what things are appropriate, and dictates behaviour” (p. 210). However, the changes brought about by the internationalization processes in the industrial sector inevitably makes the connection between every culture much closer than it was centuries ago. In consequence, it is essential for multinational companies to have a good understanding of culture. In fact, a company which knows the significance of culture is more like to be successful in the market because they understand customers needs, so they can manufacture and promote their products in an appropriate way. McDonald’s experiencing falling profits is trying to appeal to new target markets. They have become aware that people, especially among the high class are moving towards healthier living. As a result, the company changed its menu to provide its customers with healthy food choices. What is more, McDrive, which is located near highways, offers a drive-through take-away service. McCaféa, a café-style accompaniment to McDonald’s restaurant target middle class market by offering a space to chat over a cup of coffee and snacks<sup>1/4</sup>Barlett, 2004<sup>1/4</sup>%o. On the other hand, it places a considerable importance for the organizations to know a wide range of it rather than just focus on some popular aspects such as gender and language.

One of the key components of cultural identity is class. According to Jameson (2007<sup>1/4</sup>Ep. 212)<sup>1/4</sup>class, such as economic, social and educational class

often defines groups of people who share common values, behavior and attitudes. For example, students and white-collar workers have different income levels and purchasing power. Students are money-conscious, they prefer mid-price products. However, white-collar workers tend to be more time-conscious, they prefer a service that could save time. For example, Starbucks has worked out the strategies to widen its market by taking account of class. As reported by UW Business School (2003), Starbucks has set up cafes and carts in hospitals, banks, office buildings, supermarkets and shopping centers. Customers with various behavior features are able to experience Starbucks anytime and anywhere. What is more, Starbucks has other distribution agreements including office coffee suppliers, hotels and airlines. This offers a good opportunity to promote its brand and widen its market to target different customers. Thirdly, in order to expand its market in Australia, for example, to cater to customers needs, Starbucks launched a line of packaged and prepared teas and coffee in response to the growing demand from business people. Because of its convenience, they can take packaged products in their bags. Nowadays, when you go to the store, you will also find non-caffeine beverages, such as juice and herbal tea, which are enjoyed by students and females. More choices, such as fresh desserts and soup of the day attract social group's interests. The company's specific identification in class aspect helps it meet various customers needs. However, class is not the only point they focus on, others such as geography is taken into consideration as well.

Apart from class, people may also behave differently as geography changes. Corporate strategy and decision making often take into consideration

cultural differences such as regional or density distinctions. For example, they may speak different languages and have various taboos and life styles. As Starbucks has extended to markets beyond the U. S., the company is respectful of every new place. One of the greatest strengths for Starbucks is being locally relevant to provide a consistent experience for customers. Starbucks modify their store environment and customer experience in various ways to respect the local communities throughout the world. Firstly, Starbucks caters to the local's preference by changing menu at times. For example, in China, the company sell mooncakes during the Mid-Autumn Festival. In Thailand, they get curry rice, while in Australia they have various fruit pies which are popular in Australia. Moreover, it is meaningful for customers to bring souvenirs from Starbucks which have local symbols. For example, in Brisbane, customers can choose vacuum cup with " Brisbane" logo. Secondly, the company adjusts the opening and closing time which depends on local customers' habits. For example, the operating time of Starbucks in Australia is 6am-9pm on weekdays, however, it is 8am-9pm in China. The reason is that western people like to have coffee and dessert before going to work, however, Asia people like to have congee and side dishes at home. What is more, according to UW Business School(2003), reasons due to community concerns such as neighborhood have an impact on Starbucks stores' design. In Australia, you can find Starbucks in shopping mall with fashion design, however, an absolutely different Starbucks called " Starbucks Drive Thru" can be found at Mt. Druitt. Also, one of the chain stores which is in a traditional place called " Forbidden city" in China is in Chinese traditional style. Generally, according to Jameson (2007), geography creates cultural groups but not only in terms of nationality.

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In summary, cultural identity places a considerable importance in global business. Characteristics of people from different social and cultural backgrounds, for example, class and geography have become the popular issue the company cares about. Class shows how buyers' attitudes changes as their status changes, however, geography shows how culture differs as the area changes (Jamesone, 2007, p. 212). All the actions based on culture identity taken by Starbucks have a powerful influence on its business not only in Australia but around the world (UW Business School, 2003). Finally, the knowledge of cultural identity helps the organizations widen their market and meet customers needs and make more profits.