International culture in marketing

International Culture in Marketing Abstract It has become increasingly popular for organizations to take their products and marketing strategies global. As they begin to integrate into these new markets they will be faced with many challenges. One of which is culture. Culture can be defined as, " The quality in a person or society that arises from a concern for what is regarded as excellent in arts, letters, manners, scholarly pursuits" (Dictionary. com, 2011). This paper highlights the impact culture has on marketers in foreign markets. Culture truly is a force to be reckoned with. Identification of the Issue Companies are constantly looking to expand and improve upon their business. This has caused businesses to spread their operations all throughout the world, thus creating global businesses. Global businesses must operate and market their products in all different parts of the world. When marketing globally, culture is a constant factor. Culture can be defined as, " The quality in a person or society that arises from a concern for what is regarded as excellent in arts, letters, manners, scholarly pursuits" (Dictionary. com, 2011). Businesses must take culture into account in many different ways when marketing to these new and unique places because culture is quite possible the most important factor when marketing internationally. Normally, when a business is marketing a new product, they are trying to implement change. These changes are usually met with resistance rather than general acceptance most of the time (Cojocaru, 2010). This brings forth a great challenge for all marketers. Marketers must recognize these obstacles when planning their strategy. Besides cultural recognition, the synchronization of the marketing company's culture and the target market culture is imperative (Cojocaru, 2010). Thus, this brings the

challenge of allowing the local culture to prevail, while the marketing company's strategy succeeds. When it comes to marketing a product internationally, culture is the most important factor. Literature Review It is becoming more and more popular for emerging companies to take their products global (Khavul, Peterson, Mullens, & Rasheed, 2010). Once companies have established themselves in their home countries, they often look to begin to conduct business internationally. There are many different factors that influence global business. One major factor that influences global businesses is culture. By definition culture is conservative and is resistant to changes (Cojocaru, 2010). A change in culture is generally one of the toughest obstacles organizations will meet when conducting business globally. The degree of resistance differs in each case, some cultures will adapt to change whereas other will resist so strongly that it will never change (Cojocaru, 2010). The responsibility of change and its responses are very relevant to those in marketing, because efforts of marketers are generally much more than cultural innovation (Cojocaru, 2010). Monica Cojocaru states, " Beyond culture recognition, analysis and culture, harmonization between the company culture and the domestic market culture is required" (Cojocaru, 2010). The extreme task is to match the firm's corporate culture with that of the target market's culture. Monica Cojocaru also states, " One must never lost sight of its own culture, both at the firm and country of origin level, and it is necessary to act with determination to alter the cultural change of target markets (Cojocaru, 2010). " The correct combination can equal a successful venture into international markets. Brands that are available in a vast array of countries and easily recognized

are described as global brands (Dimofte, Johansson, & Bagozzi, 2010). The general consensus is that global brands bring a higher value, enjoy a large reputation, and are generally better than local brands (Dimofte, Johansson, & Bagozzi, 2010). Findings have also suggested that consumers in less developed areas associate global brands with a higher quality of lifestyle (Dimofte, Johansson, & Bagozzi, 2010). Research by Dimofte, Johansson, & Bagozzi finds that, " That global brands are viewed as widely available, well recognized, standardized, more powerful, more cosmopolitan, and subject to more stringent social responsibility standards than other brands" (Dimofte, Johansson, & Bagozzi, 2010). Dimofte, Johansson, & Bagozzi also hypothosize that, " Consumers in these markets may admire the ' economic center' and believe that production technologies in their own countries are less advanced; ownership of brands from the West increases the owner's status in many developing countries" (Dimofte, Johansson, & Bagozzi, 2010). A firm seeking to enter into international markets has four alternative methods at its disposal. According to Cojocaru the following methods are available: selling the product without changes on international markets, modifying products for different countries or regions, developing new products for foreign markets, and incorporating all differences in a single product and introducing a global product" (Cojocaru, 2010). There are different approaches that an organization can take when implementing these practices. A firm may identify a target market that will accept their product without changes or modifications, or they may implement individual lines that will coincide with different cultures (Cojocaru, 2010). Some of the products that are designed for one culture may be implemented in another

culture at a different point in time. The strategy of selling standardized goods such as Coca Cola or Levi's jeans may work because of the universal recognition of the brand; however consumer goods require more adaptation because they are influenced by the cultural and economical differences (Cojocaru, 2010). According to Cojocaru, products sold in foreign markets are generally influenced by the local customs or culture (Cojocaru, 2010). The level of economic development also pays a large role in determining the success of international products. Buyers who come from more developed areas generally tend to desire more sophisticated items, whereas buyers from less developed areas tend to desire simplified versions of products (Cojocaru, 2010). Many companies are faced with the decision of whether to adapt their marketing strategies or to standardize them. This valuable decision concerns firms who are looking to enter foreign markets as well as those who are looking to expand their global operations. Richard Hise and Young-Tae Choi surveyed 154 companies who market food products overseas. According to Hise and Choi, the type of product being market usually determines a standardized or adaptive strategy (Hise & Choi, 2010). Hise and Choi contested the original belief that most companies adapted their strategies for their global business. Hise and Choi stated, " Perhaps the most unanticipated finding was that the international marketing mixes of these food companies were standardized, not adapted, as they were assumed to be in the previous literature" (Hise & Choi, 2010). They also stated (Hise & Choi, 2010), " Although the respondent companies put a great deal of emphasis on needs and wants of consumers in international markets and also, although to a lesser extent, on the cultural dimensions existing in

those markets, several other dimensions which may have run counter to these were also viewed as being important and may explain these companies' preferences for standardized strategies. " These factors included competitors, economic conditions, strategic goals and objectives, as well and companies financial conditions. Hise and Choi hypothesize that the fact that the largest cost is usually to produce the products (Hise & Choi, 2010). Therefore, the head executives may believe that by standardizing a product, it will help to save money rather than incurring costs to tailor each marketing strategy specific to each nation or culture. This was quite a peculiar case as its results contradict the popular belief. Dimofte, Johansson, & Bagozzi conducted research regarding how different ethnic groups percieve different brands. Their results showed that different ethniticities precieved different brands according to their ethnicity (Dimofte, Johansson, & Bagozzi, 2010). The research showed that when it came to global brands, the U. S. marketplace displayed similar characteristics as other advanced markets but also those of emerging markets. Similar to those of other coutries, the different ethnicities showed similar characteristics to those of developing countries when it came to choosing global brands as they find these brands to be more appealing (Dimofte, Johansson, & Bagozzi, 2010). The patterns of companies going gobal is rapidly changing in the recent times (Khavul, Peterson, Mullens, & Rasheed, 2010). According to Khavul, Peterson, Mullens, and Rasheed, " Entrepreneurial firms from emerging economies are increasingly entering developed country markets and reversing the centuries-old direction of internationalization. " (Khavul, Peterson, Mullens, & Rasheed, 2010) The majority of firms were following the stage models of

previous internationalization theories. Many of the new firms going global are can now be small and young (Khavul, Peterson, Mullens, & Rasheed, 2010). This has challenged the conventional wisdom that organizations must be a certain size before they can operate globally. With the help of technology this is becoming more and more of a reality. As companies aim their sights on going global, they must tailor their marketing strategy to meet each country's cultural beliefs. Banner advertising has become an international phenomenon as its market is growing rapidly worldwide. According to MÃ¶ller and Eisend " For multinational companies, it is relevant to determine the extent to which banner advertising should be standardized or adapted to attain maximum effectiveness in international markets. " (MÃ¶ller & Eisend, 2010) They conducted a study to attempt to answer whether advertising effectiveness in terms of attitudes and behavior toward advertising depends on either individual- or national cultural variables or both. They collected data using an online survey. They posted a one page banner in English on a popular website for one month. To ensure that the participants had the same type of banner advertising in mind while answering the questions, they placed a sample banner ad at the top of the questionnaire. The study did indeed support their hypothesis. MÃ¶ller and Eisend claim, " They show that banner advertising effectiveness in terms of consumers' responsiveness depends on national-level cultural variables. Of the four cultural dimensions, individualism provides the highest explanatory power. " (MÃ¶ller & Eisend, 2010) They also stated, " Consumers from individualist societies appreciate banner advertising less and are less likely to click on banner advertisements than those from collectivist societies. As

expected, the effects of other cultural dimensions are weaker than the effect of individualism. " (MÃ¶ller & Eisend, 2010). The Issue As more and more organizations begin to take their products and marketing efforts internationally, they will be faced with the major obstacle that is culture. Organizations must be extremely sensitive to each individual country's culture. For example, Coca-Cola translated its name into Chinese without back translating it. This turned to be a major insult to the Chinese people as the translation read " bite the wax tadpole" (Marques, 2011). A change in culture is generally one of the toughest obstacles organizations will meet when conducting business on an international scale. Organizations must realize this as they being to take their practice to other parts of the world. The extreme task is to match the firm's corporate culture with that of the target market's culture. However, as the organization begins internationally, they cannot lose sight of their own culture, both at the firm and country of origin level. Therefore it is necessary to act with determination to alter the cultural change of target markets. The organization must either identify a target market that will accept their product without changes or modifications, or choose to implement individual lines that will coincide with different cultures. With that being said, organizations have many decisions to make when tackling their product and marketing strategy internationally. Analysis Marketers must take culture into account when conducting business on an international scale. They must pay close attention to the all aspects of culture including language, religion, values, education, technology, law, and politics. These are all very important aspects of culture in marketing. The general acceptance of new products may not be an easy or seamless

transaction. An organization has the major decision of how to implement their product or service. They must choose to completely leave it alone, modify it partially, or modify it completely. Each culture will determine may require for a separate marketing strategy. According to Möller and Eisend " For multinational companies, it is relevant to determine the extent to which banner advertising should be standardized or adapted to attain maximum effectiveness in international markets. " (Möller & Eisend, 2010) It is the obligation of the organization to custom-tailor their strategy to fit the needs of each individual culture. Conclusion As more and more organizations are taking their operations international, they are bound to face many obstacles. Culture will prove to be one of the biggest, if not the biggest obstacle overall. Organizations must tailor their marketing strategies to meet each culture's beliefs and demands. According to Dimofte, Johansson, and Bagozzi, the general consensus is that global brands bring a higher value, enjoy a large reputation, and are generally better than local brands (Dimofte, Johansson, & Bagozzi, 2010). Therefore, organizations must tailor their strategy to support the local culture as well as retaining the characteristics that made it a global brand. I could not agree with Monica Cojocaru more as she states, " One must never lose sight of its own culture, both at the firm and country of origin level, and it is necessary to act with determination to alter the cultural change of target markets" (Cojocaru, 2010). Very few organizations can survive a blunder like the one Coca-Cola made, as mentioned before. It is imperative for organizations to support local culture. If they do not, the results could be disastrous! References Chandler, J. D., & Graham, J. L. (2010). Relationship-oriented cultures, corruption, and international

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