

Impact of culture in international marketing

[Business](#), [Marketing](#)



The world is made of nations and people who share different values, customs, languages and geographic territories. These diversities, also known as culture, have proven to be the norm that binds or separates them. Carlson and Blotted (1997) explain culture as different ways, sets of manners and customs that are unique to a society or a group of people. Cultural Issues encompass the elements of norms, traditions, materialistic and spiritual of a group of people (Contain & Romaine, 2013). Understanding culture is possible only through human activities and how they act as individuals or members off group (Coulter, 2010). As businesses enter international market, cultural diversity plays a major role in formulating international marketing strategies. They need to consider differences in national cultures, subcultures and how individuals in such cultures interact with each other and outsiders. This is due to the fact that culture is the main factor that contribute to today's major conflict aside of material resources and negotiable interests (Burch, 2002).

The diverse cultures tendencies always give rise to ethical issues as one cultural belief may not be the norm or acceptable behaviors for another. The failure to take cultural differences between countries into account has been the cause of many business failures (Rolls, 1993). The purpose of this paper is to showcase instances where cultural issues that were misunderstood proved to be blunders for international marketing strategies for companies involved. It also addresses how cultural risk is as important as political and commercial risk.

Finally, cultural reactions during meeting introduction in south Asian countries are assessed, and Jack Daniels Whiskey possible marketing

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strategies in China are explored. Marketing Blunders Cases With the onset of globalization, the strategies used by multinational businesses to expand are changing. Today, companies must thread between thin lines In their desire to understand how their products are received around the world and the underlying Impact they have on local perceptions. Through International marketing, this vision can be achieved when many of these things come together.

When the opposite occurs, we have blunders. Such is the case for the following companies. Nikkei in China: In 2004, Nikkei decided to run a commercial depicting Lebanon James defeating traditionally dressed Chinese elders, women, and even a dragon. The problem is that under China's traditional culture, elders are held with authority, high esteem and respect In addition, Dragons symbolize things like power, strength and luck (Andersen, 2012). Although China is rapidly developing, its people are still quite traditional.

Their traditions are Confucianism where its teachings stress loyalty and relationships. The loyalty is to central authority and placing the good of the group first (Calcutta & Rankle, 2013). The problem with the marketing message, as advertised, was that people were offended by the weakening of the traditional figures hat the culture perceived as strong. The ultimate result was bad publicly and an unfortunate situation for Nikkei. Culture and local customs of the target markets. This could have been accomplished by consulting marketer's facilitators. Published government studies such as The U.

S. Department of commerce, Countries Commercial Guides, the Economist Intelligence etc. Are few examples. (Contain & Romaine, 2013). These sources were equipped to advise Nikkei on the cultural dimension of the Chinese people. Hiring local experts could have accomplished the objective as well. The Coca-Cola Company in Mexico ad a popular advertising campaign with the slogan, " Catch the wave" which was translated into Spanish and put on billboards throughout Mexico. Unfortunately, Coca-Cola quickly discovered that Mexicans also understood the translation to mean " have diarrhea".

The promotion had to be withdrawn at a price exceeding millions of dollars (Hunt & Hoodwink, 2012, p. 4). This failure was probably caused by the company's lack of having resources in place to oversee and review translations. The small investment of hiring experts with knowledge of Mexican slang could have prevented the loss (Villains, n. D). International marketers should be aware of marketing messages that are not tested by local experts or they should invest in expert translators who have knowledge of the languages used in the target markets.

Language in international marketing aids with information gathering and evaluation. It provides access to local society, not only the ability to communicate, but extends above mechanics to the interpretation of contexts (Contain & Romaine, 2013). Nikkei ads in Saudi Arabia. The company made a pricey blunder in the late sass when it used the word flames to signify the word " Air" as the logo on their running shoes. Unfortunately the symbol for flame is similar the Arabic word for " Allah" which is god's name in the

Muslim religion. In addition, Muslims consider feet as the dirtiest part of the body.

Eventually depicting their god's image as dirty offended the possible consumers. This lack of consideration for religious beliefs caused Nikkei to remove thousands of pairs of shoes from the marketplace, as well as work hard to correct strained relationship with their estranged customers (Wainscoting, 2011, p. 4). This blunder could have been avoided if Nikkei paid attention to the culture and local customs of their customers, especially religious beliefs. Religion defines the ideals for life, which in turn reflects the values and attitude of societies.

International marketers are well served when they understand such values and attitudes because they shape the behaviors and practices of members within a culture (Contain & Romaine, 2013). Consulting expert translators and religious belief experts could have prevented this crisis and eventual delay in market penetration. Cultural risk vs.. Political or commercial risk The survival of global marketing depends on the need for effective risk management tools in international expansion projects (Alcoholic & Schlesinger, 2011). Those risks include political, commercial and cultural.

Political and commercial risks are closely related as governments' decisions impacting the economy may also affect business operations. Adverse political and commercial conditions in the host country can be seen as sources of risks for firms expanding into that country (Adding & Cracker, 1990). Changes in political and economic events can cause changes in the host country's political structure or policies that result in losses for the firms'

investment operations (Tortes, 2013). For this reason, economic development theory emphasizes the requisite to investments (Alcoholic & Schlesinger, 2011).

However, today's globalization has highlighted the importance of another risk in international marketing. Cultural differences have been shown to add a further dimension to risks inherent to international franchising (Alcoholic & Schlesinger, 2011). This is due to the fact culture influences contract negotiations between parties, operational business and personnel management practices (Alcoholic & Schlesinger, 2011). It is known that values, customs, and beliefs which make the culture vary by country or region and change as population migrate.

Therefore, it is not surprising that marketing strategies geared to accommodate cultural variations are as challenging to a business success as political and commercial risks encountered in any market (Hollies, 2011). Thus, cultural risk can lead to efficiency and effectiveness losses too business whose management lacks the ability to effectively manage the diversity encountered in each cultural environment. Communications challenges in South- Asian countries Among many communications blunders that can happen during business negotiations with South-Asian countries, informal greeting is one of them.

This is due to the fact that South- Asian countries' business culture operates under a Confucianism system of behaviors and ethics. The system stresses the obligations of people towards one another based upon their relationship. Confucianism advocates honor, respect for age and seniority among other

traits (Contain & Romaine, 2013). These traits are demonstrated in their respect for hierarchical relationships in a concept of "face" which translates to dignity, prestige, honor, etc.

It is very important for someone doing business in these countries to avoid losing face or causing the ass of face. Accordingly, South Asians are formal and introduce themselves by using honorific titles followed by surnames and given names (Hunt & Hoodwinks, 2012, p. 3). By asking to be called by my first name will more than likely cause me to lose face, which is a violation of etiquette in this part of the world. This may be interpreted as lack of respect in these cultures and can lead to unsuccessful business deals.

Jack Daniel Marketing Strategy in South Asia Jack Daniel, as a whiskey brand, prides itself in its authenticity and its ability to be known as a premium brand by its customers. This is evident in their marketing strategies which showcase ads that are unique in what is said and shown (Strangle, 2011). Those ads advocate a premium brand experience that conveys a message to their customers of a quality product that is based on American values of authenticity, masculinity, and fraternities, and is comparable to none in the marketplace (Syllabus for ISSUES, 2013).

This strategy has been used throughout their marketing campaign in English speaking countries like England, Australia and South Africa, with great success. But with the onset of globalization, where all literatures advocate marketing strategies that cater to local customs, and more in tune with country specific culture (Contain & Romaine, 2013; Hunt & Hoodwink, 2012;

Alcoholic & Schlesinger, 2011), the challenge is whether Jack Daniel should adjust its strategies to fit today's norms.

That is, should they adjust their market strategy to fit local habits in emerging markets like China? As stated earlier, China's culture operates under Confucianism. This code of conduct rather than religion advocates teachings that Under this scenario, Jack Daniel should be able to evoke its premium brand image by advertising its tradition as a brand experience that is unique in the marketplace. This will insure that they not compromise the quality of the product to meet demand (Strangle, 2011). On the other hand, Chinese society is evolving.

Most of its citizens are not wealthy, therefore selling a premium brand may not fit with the norms of targeting the majority of consumers in China. The good news is that, wages are rising, and the middle classes are finding themselves with disposable income that may allow them to splurge on high end drinks if they chose to (Strangle, 2011). In addition, cultural attitudes are not always a deterrent to foreign business practices, and trends show that many Chinese people display positive attitudes toward Western goods (Contain & Romaine, 2013).

Therefore, the respect for tradition, the affinity for Western brand and the desire to belong in a different class could be the ingredient Jack Daniel needs in continuing its current market strategy in this part of the world. They should focus their campaign to target a specific segment that is made of middle and upper class consumers who can afford their brand (Strangle,

2011). In a country that is heavily populated, this segment could be large enough to achieve the intended success as in other Western countries.

This will insure the brand can remain unique, maintain its equity and still deliver the intended profitability. Conclusion Since culture affects every norms of a society, its value in any society must be carefully analyzed by international marketers. Factors such as religious affiliations of its people, the society characteristics whether collectivist or individualist, political and economic ideologies will all impact the result of any international marketing aiming if left unsearched. As can be seen from examples above, the cultural symbols from target markets are very important.

Therefore marketers should know the audience in advance and chose to communicate through languages and means that are appealing to the audience. For this reason, managers engaged in international marketing should use common sense in analyzing how different elements of a brand are impacted by the culture and design different ways to speak to the target audience (Formation, 2013). Failure to do so could lead to failed marketing campaigns, offended consumers and loss revenues. For this reason, cultural risk is as important as political and commercial risk in international marketing.