The impact of culture on implementing international marketing

Business, Marketing

Thesis: According Kaur (2012) due to the area ofglobalizationwhere the economies are expanding and integrating with the other economies and are exposed to universal marketing, there is a need to understand the fact that promotion of a product is highly affected by the cultural patterns of different countries. This research attempts to identify and analyze the impact ofcultureon marketing strategies of different products based on National culture, Corporate culture and Business culture. (Kaur, 2012)

Main Bodies:

Part 1: Concept of culture in two perspective

A. Theory of five dimensions:

1. Power distance

2. Individualism/collectivism

3. Masculinity/femininity

4. Uncertainty avoidance

5. Long-term orientation

B. The relationship between organization performance with

1. The market

2) Orientation,

3) Organizational culture and brand performance.

Part 2: Cultural differences impact on the degree of importance placed on:

Relationships

Networks

B. Cultural differences also impact on

1. Impact on buying decision
2. Business level

Part 3: Three distinct sorts of culture which have a direct impact on marketing:

- National culture

Differ mostly at the level of values

- Corporate culture

Differ mostly at the level of the more superficial practices: symbols, heroes

- Business culture

can be characterized as theenvironmentthat permeates business

Definition

According to the International Marketing Research (2016), Marketing is the product concept, which focuses on product quality, selling concept, such as ideas to tempt the customers into buying by offering some discounts or promotion. The first component of the Marketing process is to analyze the market in order to find the opportunities that should be availed, after that the most important step of marketing is selected target customers. (International Marketing Research, 2016)

Garst (2015) claimed that marketing is the management process responsible for identifying, anticipating and satisfying customer requirements profitability. Furthermore, to develop a successful marketing strategy, an organization must take into consideration the cultural influences of the society where a new product is being introduced. For instance, people make decisions about consumption of a product based on these cultural influences and their countries. (Garst, 2015)

Introduction

Today, most of the international marketers tend to invest in developing countries. Quelch (2010) cited " Coca-Cola as an example of this and point out that the sales rates for Coca-Cola doubled every three years in markets such as India and Indonesia whereas, in developed country markets, the growth rates averaged less than 5%". As a rule they have been centering the affluent tip top at the highest point of the pay scale in such nations and while considering the future capability of such markets, their spotlight has more often than not been on the growing middle-class in these nations. (Quelch, 2010)

According to the Hofstede (2008), a Dutch researcher, " Culture is the collective programming of the mind distinguishing the members of one group or category of people from others". Additionally, Hofstede introduce five dimensions of culture such as Individualism v/s Collectivism, Power distance, Masculinity v/s Femininity, Uncertainly avoidance and Long-Term versus Short-Term Orientation. These dimensions play a crucial role in understanding national culture as well as corporate culture.

As claim by Cass and Viet (2017) " the organization performance has a relationship with the market orientation, organizational culture, and brand performance". Hence, two gaps emerge in the execution of an association, lack of knowledge about market-place and efficiency of workers. It relies upon how you increment the information of workers and adopt the new culture in market-place. Value is the important factor that marketers should provide for their potential consumer and focus on their needs and create the strong relationship between culture and customers.

On the authority of Hummel (2012), social contrasts can effect on the level of significance placed on relationships and networks while working together both amongst nations and different gatherings inside a nation. This significance placed on networks and relationships can affect purchasing choices at the customers and also at the business level. It is contended that social contrasts will probably be all the more profoundly inserted in bring down financial gatherings inside an ethnic gathering than in the upper or middle-class groups. (Hummel, 2012)

Based on etic studies such as those of Hofstede (2001) and Trompenaars (2009), " there is evidence that different cultural drivers apply in developing country markets to those that apply in developed country markets". The work of these authors, although criticised in terms of methodology does illustrate major cultural differences between emerging and developed markets.

Schutte (2009) compared Hofstede's and Trompenaars dimensions between Asian and Western market-places and found that of Hofstede's dimensions, " Asian markets reflected higher power distance and greater collectivism than in western markets. They found with Trompenaars dimensions that Asian markets reflected more focus on relationships (particularism), on group rights (collectivism) on the indirect expression of emotions (neutral rather than effective) and a view of status as being due to position (ascription) rather than to individual efforts (achievement)."

Additionally, investigation have exhibited that there are three particular sorts of culture which have a direct impact on marketing. Hence, marketers and organizations should know: National culture, Corporate culture and Business culture.

As the stated by Hofstede (2008), " national cultures differ mostly at the level of values, while corporate cultures differ mostly at the level of the more superficial practices: symbols, heroes, and rituals. National cultures oppose otherwise similar individuals, institutions, and organizations across countries; the pioneer study on national cultures was based on different national subsidiaries of one large international business company. Corporate (also called organizational) cultures oppose different organizations within the same countries". (Hofstede, 2008)

The figure above indicates that national culture contrasts are established in values learned before age ten; youngsters take in them from guardians who additionally gained them before age ten. Henceforth, they are very steady

and take ages to be changed. Organizational (corporate) cultures are established in hones learned on the job, and they can change substantially quicker.

Their suggestions for administration are very extraordinary, as will be indicated later. Universal organizations and worldwide associations dependably comprise of individuals with various national qualities. The way they work is through a mutual organization or association culture in view of basic practices. Establishing, observing and adjusting corporate or authoritative practices are a center key undertaking for global administration. Appropriate practices are what keep multinationals together.

Business culture can be described as the condition that penetrates business and is a business 'feel' or how it is distinguished business Culture. For instance, according to the Maps of the world (2008), Brazil is a nation with genuine business open doors for remote organizations, yet working together in this country can be viewed as a noteworthy cultural challenge. Brazil is a colorful culture that draws in numerous individuals to learn and encounter the center of this lively condition. In the event that we see comprehensively on Brazil culture, we can find that it is a blend of European, American and Asian culture. (Maps of world, 2008)

Conclusion

Cultural differences that can influence the business can be numerous. For example, we can mention language, religions and behavior and other differences in the marketing. Culture can in this manner impact the organization's whole co-task with an outside nation and not having the

capacity to deal with the social contrasts can prompt clashes and mistaken assumptions.

Organizations who don't know about this reality can endure huge misfortunes and subsequently neglect to have the capacity to oversee future business abroad. Oversights can be hard to right and future co-operation accordingly now and then can wind up unimaginable. Hence, The elements of corporate culture, national culture, and business culture that affect the marketing.

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