

Culture and Adaptation

...why don't all these foreigners behave like us?

Alastair Allen
Senior Lecturer,
Nottingham Business School

Aims of Today's Session

- What culture is and how cultures differ
- How it can be applied to Marketing internationally
- Standardisation or Adaptation?

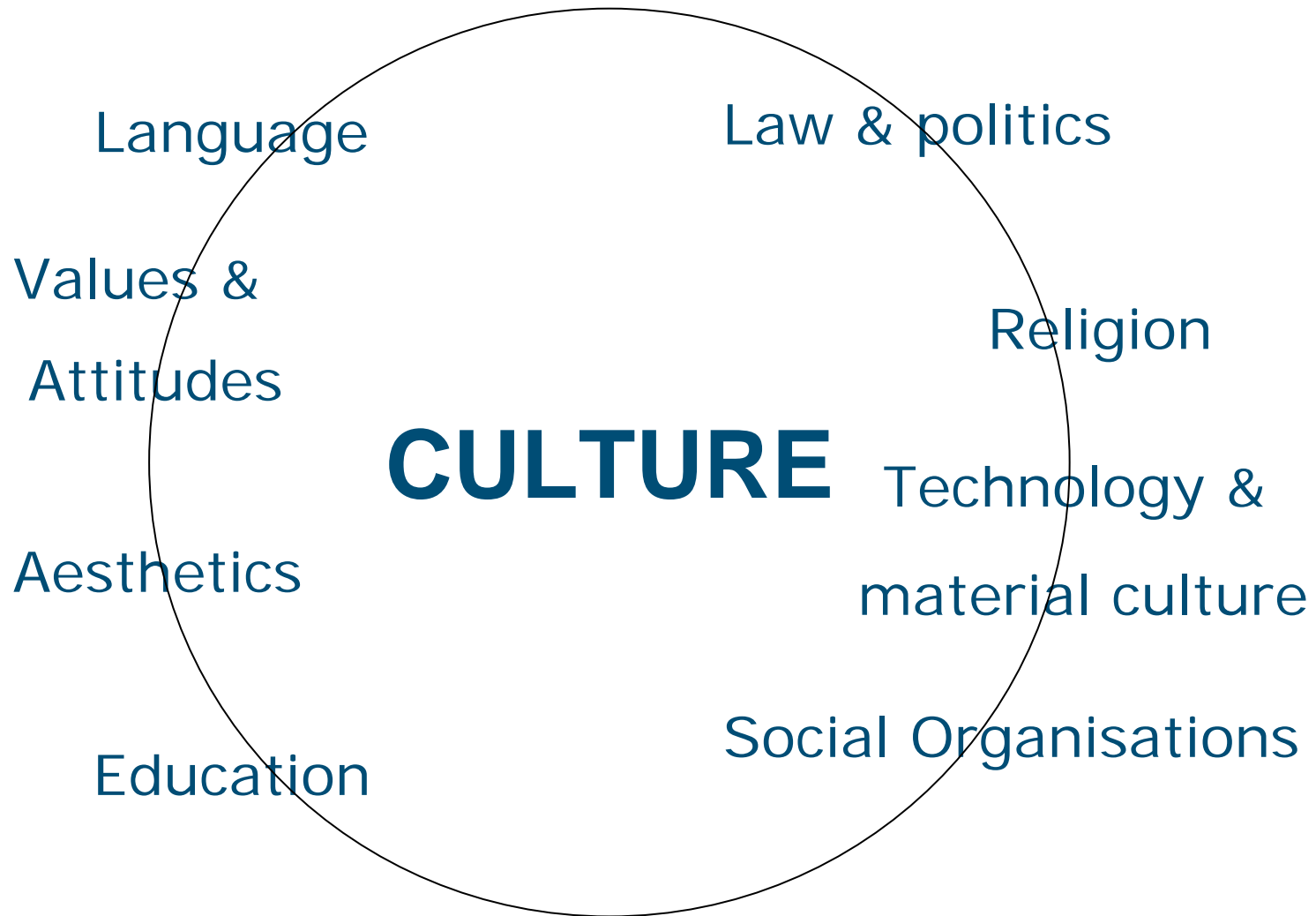
Questions to ask yourself...

- Where am I from?
- What is my Culture?
- What defines my Culture?
- What do I think of other Cultures?
- Is Culture the same as Nationality?

Culture and Nationality

- Avoid stereotypes!
- “A conventional, usually oversimplified, and often negative view of other cultures

What is Culture?



Definitions of Culture

“The way we do things round here”

(anon)

Aspects of Culture

So Culture is:

- A shared system of meanings
- Relative, not absolute
- Learned, not inherent genetically
- About group behaviour

But a culture is not:

- Intrinsically good or bad
- Superior or inferior to any other
- About individual behaviour

SRC and Ethnocentrism

- **Self Reference Criterion:** “the unconscious application of one’s own cultural experience and values to a market in another culture”
- If we evaluate every situation through our SRC, then we are **ethnocentric**

SRC and Ethnocentrism

- But...we are all ethnocentric! We make assumptions about other societies based on our limited experience
- Why is it a problem?
It can lead to **misunderstanding** and:
 - unintentionally offend others and cause ill feelings
 - may lead to disinterest or contempt for other cultures
 - set up situations that cause harm

Effects of SRC

- Ethnocentrism and SRC can affect marketing mix decisions, e.g.
 - Not **adapting** products to reflect foreign market differences
 - Attempting to develop **uniform**, global product pricing
 - Using the same methods of distribution in all markets
 - Promoting without thought for the local impact

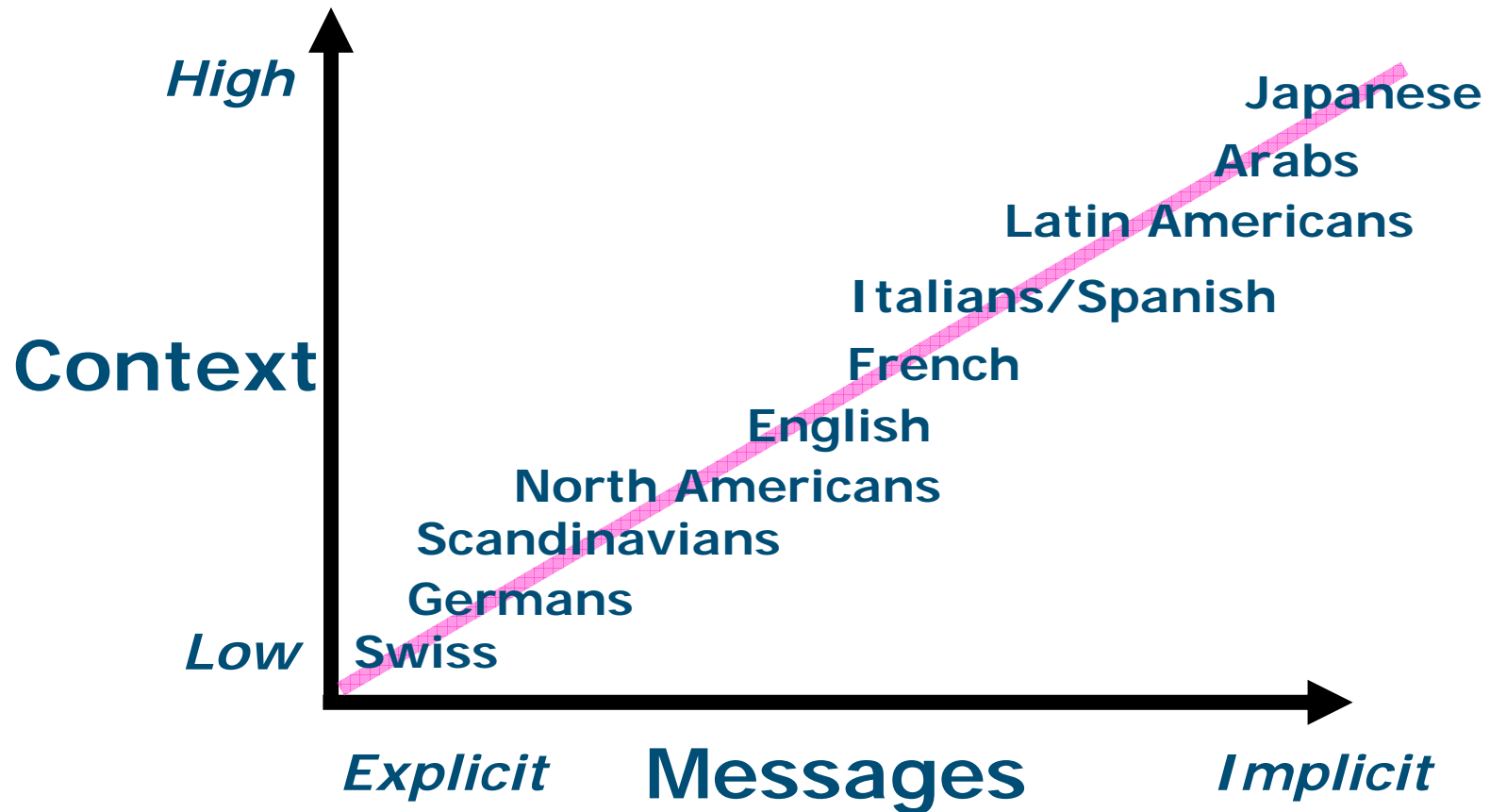
In what Ways are Products culturally sensitive?

1. Religion
2. Physical size
3. Colour
4. Taste
5. Smell
6. Luck symbols
7. Quality expectations
8. Attitudes to display
9. Social pressures
10. Payment
11. Country-of-origin effects

High- and Low-Context Cultures

- Hall said that language is key – if two countries communicate in different ways they will have different cultures
- Low context rely upon the spoken and written word for their meaning
- High context rely upon interpretation of the elements surrounding the message
- The greater the context difference, the greater the communication gap

The contextual Continuum of differing Cultures



High- and Low-Context Cultures

Factors	High Context	Low Context
Lawyers	Less used	Important
Responsibility	Highest Level	Devolved
Space	Close contact	Distance
Time	Polychronic	Monochronic
Negotiations	Lengthy	Rapid & Short
Competitive Bidding	Infrequent	Normal
Examples	Japan, Latin America	USA, N. Europe

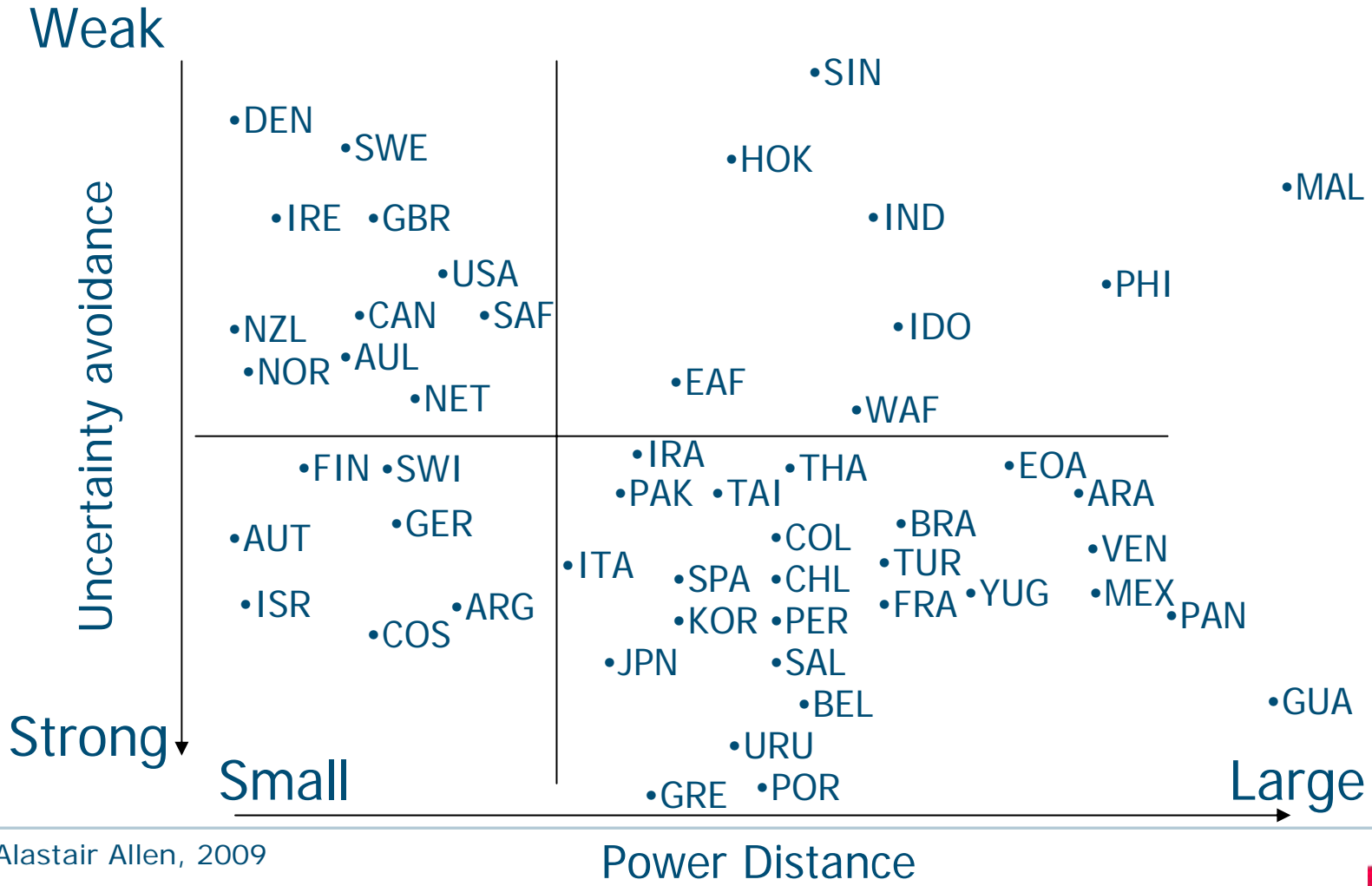
Hofstede's Values

- High or Low Individualism
- High or Low Masculinity
- High or Low Uncertainty Avoidance
- High or Low Power Distance

And later...

- Long- or Short-Term Orientation

Uncertainty Avoidance/Power Distance



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Bribery and Extortion

- Bribery – voluntarily offered
- Extortion – demanded
 - “Lubrication”?
- Cultural differences
- “The way to do business”
 - To pay or not to pay?

Cultural Issues

Gift-giving?

- A huge potential problem for business
- To give or not to give?
- To take or not to take?

Alcohol?

- To drink or not to drink?
- How much????

How to cope with Cultural Differences?

- Read up on the country and its markets
- Attend a cultural briefing session
- Learn the language (at least a little)
- Visit the country, talk to experts
- Recognise that cultures are not right or wrong, just different

Ackoff's Advice

'Irrationality is usually in the mind of the beholder (observer) not in the mind of the person beheld (observed).'

People *are* usually rational; so if they seem to be behaving irrationally, *you* haven't understood their reasoning.

Standardise or Adapt?

- Academics and practitioners sometimes in harmony, sometimes disagree
- Three points of view: adapt, standardise or 'contingency'
- Academics have generally recommended adaptations
- Practitioners have wavered

Standardisation – the Benefits

- Significant economies of scale in research and development, production and marketing
- Presentation of a consistent corporate/brand image across countries
- Reduced managerial complexity due to better coordination and control of international operations

Adaptation – the Benefits

- The ultimate objective of the firm is not cost reduction but long-term profitability through higher sales accrued from a better exploitation of the different consumer needs across countries

Let's sit on the Fence – Contingency

- Standardisation or adaptation are the two ends of the same continuum
- To standardise or adapt is situation specific, and this should be the outcome of thorough analysis and assessment of the relevant factors prevailing in a specific market at a specific time
- Appropriateness of the selected level of strategy of standardisation/adaptation should be dependent on its impact on company performance in international markets

The Product/Communication Options

Product Strategy	Adapt	Cost Factor 3	Cost Factor 4
	Standardise	Cost Factor 1	Cost Factor 2
		Standardise	Adapt
		Communication Strategy	

Standardisation is possible when...

- ...visual messages form main content of advertisement
- ...well-known international film stars, pop stars and sports personalities feature
- ...music is an important part of the communication
- ...well-known symbols and landmarks are featured

Advertisements don't travel well if...

- ...use of spoken and written language are an important part of the communication
- ...humour is important
- ...personalities are not known internationally
- ...campaigns rely on specific knowledge of previous advertising

Cultural and Moral Issues

- What is considered decent or indecent, acceptable or unacceptable in advertising in a particular culture?
- Sex is often used in advertising in the West – may be unacceptable in Islamic countries or Asia
- The depiction of the liberated woman (especially in sexual terms) may be offensive or unattractive in many cultures

Some National Advertising Styles

US: assertive, direct, competitive

UK: highly individual, youth orientated, class-based, direct.

Humour very important

Germany: structured, explicit. Strong factual orientation.

Clean, straightforward and serious

Italy: Strong design, big ideas, theatricality. Strong emotion and much use of metaphor

France: desire to be different. Theatrical and bizarre. Image and fantasy. Pleasure orientation

Japan: harmony and 'face' require indirect style. Make friends with customer