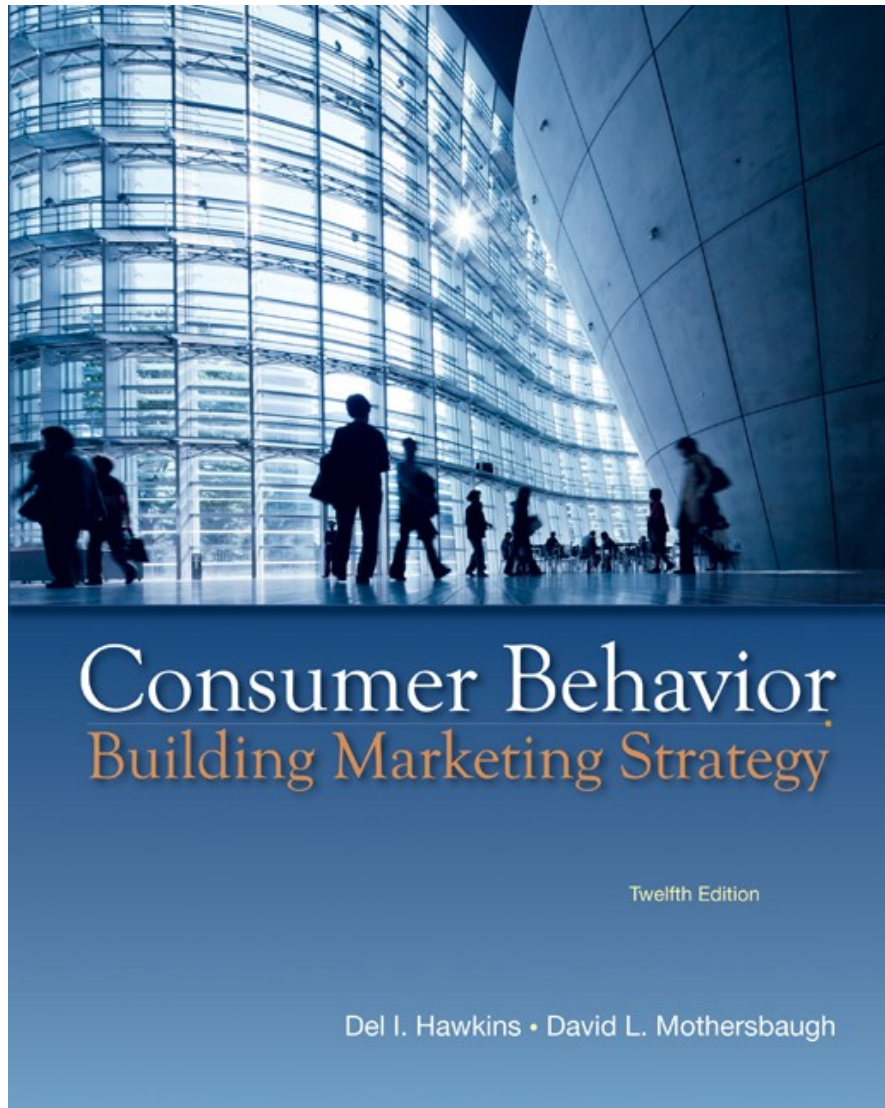


Instructor's Manual



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Chapter 02

Cross-Cultural Variations in Consumer Behavior

LEARNING OBJECTIVES

- LO1: Define the concept of culture**
- LO2: Describe core values that vary across culture and influence behaviors**
- LO3: Understand cross-cultural variations in nonverbal communications**
- LO4: Summarize key aspects of the global youth culture**
- LO5: Understand the role of global demographics**
- LO6: List the key dimensions in deciding to enter a foreign market**

SUMMARY

LO1: Define the concept of culture

Culture is defined as the complex whole that includes knowledge, beliefs, art, law, morals, customs, and any other capabilities acquired by humans as members of society. It includes almost everything that influences an individual's thought processes and behaviors. Culture operates primarily by setting boundaries for individual behavior and by influencing the functioning of such institutions as the family and mass media. The boundaries, or *norms*, are derived from *cultural values*. Values are widely held beliefs that affirm what is desirable.

LO2: Describe core values that vary across culture and influence behaviors

Cultural values are classified into three categories: other, environment, and self. *Other-oriented values* reflect a society's view of the appropriate relationships between individuals and groups within that society. Relevant values of this nature include *individual/collective*, *youth/age*, *extended/limited family*, *masculine/feminine*, *competitive/cooperative*, and *diversity/uniformity*. *Environment-oriented values* prescribe a society's relationships with its economic, technical, and physical environments. Examples of environment values are *cleanliness*, *performance/status*, *tradition/change*, *risk taking/security*, *problem solving/fatalistic*, and *nature*. *Self-oriented values* reflect the objectives and approaches to life that individual members of society find desirable. These include *active/passive*, *sensual gratification/abstinence*, *material/nonmaterial*, *hard work/leisure*, *postponed gratification/immediate gratification*, and *religious/secular*.

LO3: Understand cross-cultural variations in nonverbal communications

Nonverbal communication systems are the arbitrary meanings a culture assigns actions, events, and things other than words. Major examples of nonverbal communication variables that affect marketers are *time*, *space*, *symbols*, *relationships*, *agreements*, *things*, and *etiquette*.

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LO4: Summarize key aspects of the global youth culture

There is evidence that urban youth around the world share at least some aspects of a common culture. This culture is driven by worldwide mass media and common music and sports stars. Emerging aspects include the importance of technology and the fact that U.S. teens and brands no longer leading the way.

LO5: Understand the role of global demographics

Demographics describe a population in terms of its size, structure, and distribution. Demographics differ widely across cultures and influence cultural values (and are influenced by them) as well as consumption patterns.

LO6: List the key dimensions in deciding to enter a foreign market

Seven questions are relevant for developing a cross-cultural marketing strategy: (1) Is the geographic area homogeneous or heterogeneous with respect to culture? (2) What needs can this product fill in this culture? (3) Can enough people afford the product? (4) What values are relevant to the purchase and use of the product? (5) What are the distribution, political, and legal structures for the product? (6) How can we communicate about the product? (7) What are the ethical implications of marketing this product in this country?

LECTURE TIPS AND AIDS

- 1) Culture is a difficult concept for students to fully understand though they enjoy reading about it. It is difficult for them to see what culture is and what its influences are because they are typically unaware of their own culture. It is often best to start the culture lecture with an example of some completely different behavior in another culture (e.g., the necessity of women being veiled in strict Muslim cultures) to point up how culture “tells” us what to do. However, it is important to move beyond amusing examples of cultural snafus and into an understanding of how culture functions.
- 2) Students from other cultures should be encouraged to describe the differences between their home cultures and the one they are in now. Domestic students who have lived in another culture should do likewise.
- 3) This is an excellent time to use a guest speaker. A professor from cultural anthropology or sociology, an executive with substantial international experience, or anyone who has lived at least one year in a different culture can provide a valuable learning experience.
- 4) Student Handout 1: TRANSLATION PROBLEMS IN INTERNATIONAL MARKETING.
- 5) Student Handout 2: FEDEX CUSTOMIZES FOR THE LATIN AMERICAN MARKET.
- 6) Student Handout 3: CULTURAL VARIATIONS IN HOLIDAY TRADITIONS
- 7) Student Handout 4: BOLLYWOOD GOES GLOBAL

- 8) Assign and/or prepare one or more of the CB PRESS HIGHLIGHTS articles for class discussion. The searchable CB Press Highlights Database can be found on the Instructor Online Learning Center at www.mhhe.com/hawkins12e.
- 9) Build a recent news story or commercial into your PowerPoints. The searchable Video and Commercial Links Database can be found on the Instructor Online Learning Center at www.mhhe.com/hawkins12e.

Student Handout 1: TRANSLATION PROBLEMS IN INTERNATIONAL MARKETING

Chevrolet's Nova is an inappropriate brand name in Spanish-speaking countries where “no va” means “it doesn't go.”

Chrysler couldn't use its U.K. theme “the Original” in Germany because “Die Original” in German implies peculiar.

An American manufacturer of heavy-duty wrapping paper inadvertently translated its brand name into Japanese as “He who envelops himself in 10 tons of rice paper.”

American Motors “Matador” translated as “killer” in Puerto Rico - a country with a high traffic fatality rate.

Johnson Wax introduced “Pledge” in the Netherlands as “Pliz.” Pliz is pronounced very much like “piss” in Dutch. Since most Dutch also speak English, this caused serious problems.

A Japanese firm introduced a Japanese whiskey named “Black Nikka” into the U.S. market.

Vicks is the most crude slang term for sexual intercourse in German. The company goes by Wicks in Germany.

The Dairy Association's "Got Milk?" heading was translated as "Are you lactating?" in Spanish.

Student Handout 2: FEDEX CUSTOMIZES FOR THE LATIN AMERICAN MARKET

The following describes how FedEx used a customized strategy to successfully target the Latin American market:

In the late 1990's, FedEx was not nearly as well known in Latin America and the Caribbean as it was in other parts of the world. Therefore, it decided to launch an ad campaign to build brand awareness among small and medium-sized shippers. The ad agency was challenged to create a commercial that would work across this broad region with its differing cultures and languages. In addition, it would need to be presented in English and Portuguese in addition to Spanish without looking "dubbed," since shooting multiple commercials would be too expensive.

The 30-second commercial showed a young equipment manager for a soccer team, the dominant sport in the region, worried about the delivery of five boxes of uniforms he had shipped to Madrid for a major match. An older man assures him that all will be fine as long as he had shipped them via FedEx, which he had not. The next scene is a soccer field where the opponents are about to attempt a penalty kick. As the camera reveals the defenders, the audience sees that they are defending the goal without their uniforms or any other clothing. The tagline for the ad is: "Let FedEx take the load off your shoulders."

Two versions of the last scene were shot, the nude version and a version with the men in their underwear. The underwear version was run in Mexico due to local restrictions on nudity in prime time. The theme (soccer), which resonates in most Latin American markets, along with a realistic situation and a humorous ending made this commercial memorable and successful. For example, awareness went up between 7 and 17 percent depending on the specific market.

Source: P. L. Andruss, "FedEx Kicks Up Brand," *Marketing News*, July 30, 2001, pp. 4–5.

Student Handout 3: CULTURAL VARIATIONS IN HOLIDAY TRADITIONS

Various holiday traditions get translated differently from country to country. Companies must understand cultural differences related to the celebration of such holidays when marketing across country.

For example, Halloween originated in Ireland, Britain, and northwest France. Over time, its celebration became limited to the United States, Canada, and Ireland. Now, however, it has gone global:

- The Abominable Giant Man Eating Zombie Tea Party is the theme for a costume bash at a Singapore nightclub.
- Japan held a Hello Halloween Pumpkin Parade in Tokyo.
- In Paris, shops decorate their windows with goblins, spider webs, and skeletons; pumpkins are on sale at open-air markets; bakeries produce decorated Halloween cakes; McDonald's gives out masks with kids' meals; and some children go trick-or-treating.

When such holidays do not replace local traditions and are adapted to the local culture, they can enrich the lives of the populations that adopt them. However, such imports can also be disruptive or controversial. For example, American-style celebrations of Valentine's Day are spreading throughout the world; but in countries such as India, they have been met with protests. Hindu and Indian beliefs generally restrict public displays of affection and many find Valentine cards that show young couples embracing to be offensive.

Source: S. Gutkin, "Spooky Fun Creeping around Globe," *Register-Guard*, October 29, 2000, p. 16A.

Student Handout 4: BOLLYWOOD GOES GLOBAL

Bollywood. India's Hollywood. India is the leading movie producer and consumer in the world (the United States is a distant second). No wonder then that Indian culture is hot stuff, especially among global teens. Consider the following:

With riffs off India's cultural cachet showing up everywhere—from Madonna's use of mendhi, the traditional Indian henna art, to bhangra rhythms from northern India mixed into a Britney Spears single, advertisers are far from alone in embracing the colors and sounds of the subcontinent. The trend is even more entrenched overseas, where major campaigns with Bollywood themes are popping up from the Mediterranean to the South China Sea.

Marketers have not been shy about tapping this global hip status to market to teens in the United States, Asia, and Europe. A few examples include:

- In the United States, Absolut vodka has a 12-minute online “Bollywood ad” called Absolut Multit.
- In Asia, Nokia has a TV spot in which “dozens of women clad in brightly colored saris ... leap from a plane and sky-dive toward a bored-looking man standing on the side of the road. Alighting, they start gyrating to pulsating Indian music, while the man looks on in astonishment.”
- In Spain, Italy, and Portugal, Coca-Cola runs an ad in which a Hindu waiter gets everyone at a stuffy European party to dance and liven up by singing a Bollywood-style song after drinking a Coke.

Not everything coming out of Bollywood is good, however. A World Health Organization (WHO) study finds that over three-quarters of films coming out of Bollywood over the past 10 years contain smoking of some sort. In a country that accounts for one in three smoking-related deaths, WHO appears to have valid concerns.

Source: C. Prystay, “It Is a Walk of Fame for Bollywood,” *The Wall Street Journal Online*, December 24, 2004, www.wsj.com.

INTERNET EXERCISES

BE SURE TO CHECK THESE SITES BEFORE ASSIGNING THESE PROBLEMS. WEBSITES CAN AND DO CHANGE, SUCH THAT SOME SITES MAY NO LONGER EXIST OR CONTAIN THE DATA NEEDED TO ANSWER THE QUESTION.

- 1) Visit the Michigan State University international business resources website (www.globaledge.msu.edu/index.asp). Which of the resources listed is most useful for the following (hint: the International Business Resource Desk is a good place to start)?

- a) Worldwide consumer data.
- b) Data on consumer markets in China.
- c) Data on consumer markets in Brazil.
- d) Data on industrial markets in Canada.

Students will find this site to be fascinating and useful. GlobalEdge™ is a web portal for international business professionals. It provides the following information and linkages: *Global Resources* - more than 5,000 online resources (under resource desk); *Country Insights* - information about all countries by region; *News & Views* - regarding the latest international business issues; *Academic* - research and teaching resources; and *Diagnostic Tools* - decision tools for managers. However, good, country-specific data for a specific product category is often unavailable or can be found only after a rigorous search. Sometimes, news or chat groups can provide help.

- 2) Using the Michigan State University site described in Exercise 1 above, select and describe one of the sources listed. Evaluate its usefulness for understanding international markets and other cultures.

Students can drill down in numerous areas including *Global Resources* and *Country Insights* where GlobalEdge™ provides links to various useful information sources.

- 3) Using the Internet, prepare a brief report on the following as a market for automobiles. Provide addresses for all websites used.

- a) India
- b) United Kingdom
- c) Qatar
- d) China

The MSU site (see Question 1) is a great place to begin. Another great source for country-specific data is the World Fact Book (<https://www.cia.gov/cia/publications/factbook/>).

- 4) Prepare a report that describes how useful, if at all, the information available at the World Bank website (www.worldbank.org) is in terms of helping you understand the following as a market for cell phones:

- a) United Kingdom
- b) South Korea
- c) Australia
- d) Argentina

This site (and most others) will provide useful demographic data but will rarely have data on product consumption at an appropriate level. Interestingly, cell (mobile) phones fall under infrastructure and communications which tend to be tracked to a greater extent than other specific product categories such as automobiles and refrigerators. This exercise should help make clear the necessary but insufficient nature of demographic data. Information on cultural values, etiquette and so forth are needed and are rarely available in secondary data.

- 5) Visit the CIA World Factbook site (<https://www.cia.gov/library/publications/the-world-factbook/>). Evaluate the usefulness of this site for international marketers.

This site has very useful economic and demographic data on more than 250 countries and other entities. Like most of the other demographic sites, it is limited in the level of detail it provides on specific market segments. Its international focus makes this resource particularly useful in the development of multinational marketing strategies.

- 6) Visit the Kwantessential website (www.kwantessential.co.uk). Click on the “Cross Cultural Quizzes.” Pick several topics/countries and take a quiz. Prepare a report on what you learned.

This can be a great eye opener. You might ask different groups of students to choose different countries and to report their findings to the class. It becomes quickly apparent how diverse various countries are and the extent to which our knowledge of these differences is limited.

- 7) Visit Land’s End’s various international sites (you can start at www.landsend.com). Beyond adapting to language differences, how much adapting have they done to each country? Based on your understanding of the cultural differences would you have expected more or less adaptation?

NOTE: Students can “Google” Lands’ End for other countries, e.g., Lands End Japan (www.landsend.co.jp).

Students will likely vary in their opinions here. However, beyond language (Japanese in the Japan site), it doesn’t appear that Land’s End is doing a great deal to adapt to cultural differences. For example, most of the people in the Land’s End Japan ads are American not Japanese. A key discussion point here is to what extent such standardization is acceptable and how/what further customization might benefit Land’s End.

DDB LIFE STYLE STUDY™ DATA ANALYSES

NOTE: OUR RULE WAS TO LOOK FOR 10% + DIFFERENCES. WHEN THIS WASN'T PRACTICAL FOR AN OUTCOME VARIABLE WE LOOKED FOR THE "HIGH" CATEGORY TO BE ROUGHLY TWICE THE "LOW." OBVIOUSLY OTHER RULES COULD BE USED.

NOTE: FOR FEMALE SPOUSE'S WORK LEVEL, WE DISREGARDED THE CATEGORY "FULL-TIME HOMEMAKER" DUE TO THE EXTREMELY SMALL (N = 5) SAMPLE.

- 1) What characterizes U.S. consumers who are interested in other cultures and interested in shopping for items influenced by other cultures? (Use the DDB data in Tables 1B through 7B.). How might travel agents use this in developing marketing strategies involving international travel?

a) Interested in the Cultures of Other Countries.

	Low (%)	High (%)
Marital Status	Married (35.9)	Single (never married) (50.3)
Children at Home	1 (32.9), 2-3 (32.7), 4+ (34.5)	0 (43.1)
Male Respondents (Spouse's Work Level)	Full-Time Homemaker (26.7) Employed Part-Time (27.5)	Unemployed/ Retired (38.2)
Household Income	< 100 (30-40 range)	> 100 (48.7)
Education	HS Degree (22.5)	Graduate School (52.3)
Tech Savvy (Perceived)	Low and Medium (35.5)	High (50.1)
Occupation	Farming, Forestry, Fishing (23.1) Precision Production, Craft and Repair (23.3), Operator, Fabricator, Laborer (24.5)	Professional (49.1), Sales (44.7) Executive, Manager, Administrator (40.2)
Ethnic Subculture	White (35.6)	Other (58.9) Hispanic (45.6) Black (43.0)
Age	35-44 (35.5), 45-54 (35.9), 25-34 (38.6), and > 64 (39.5)	18-24 (48.2)
Cognitive Age (Feel a lot Younger than Age)	Definitely/Generally Disagree (32.9) Moderately Disagree/Agree (33.0)	Generally/Definitely Agree (44.7)
Geographic Region	East North Central (28.9)	Pacific (50.9)

Single, no children, higher income, higher education, professionals of diverse ethnic backgrounds seem to be most interested in other cultures. Younger (actual and cognitive) and Pacific region also are important. Clearly, it would make sense for travel agents to target the young, ethnically diverse, professional community. Two interesting points are worth noting. First is that cognitive youth suggests that even older consumers who "feel" young are interested in other cultures which could be worth exploring from an advertising standpoint. Second, the data don't indicate what cultures the different ethnicities are most interested in, which is something travel agencies would want to learn in order to target specific ethnic subcultures with international travel packages.

b) Enjoy Shopping for Items Influenced by Other Cultures.

	Low (%)	High (%)
Marital Status	Married (16.8)	Single (33.0)
Household Income (In Thousands)	60-70K (14.8)	< 20K (25.7) and >100K (23)
Education	HS Degree (15.8)	Graduate School (25.9)
Tech Savvy (Perceived)	Low (19.6)	High (28.5)
Occupation	Farming, Forestry, Fishing (7.7), Precision Production, Craft and Repair (12.0), Operator, Fabricator, Laborer (13.4)	Professional (24.6)
Ethnic Subculture	White (16.2)	Black (37.9)
Age	> 64 (16.7)	18-24 (26.1)
Ideal Self-Concept	Masculine (15.8)	Youthful (27.2) and Adventurous (26.0)

Profile here is similar in many ways to that found in Part A. Single, younger, higher education, professionals with a youthful and adventurous ideal self are likely to report enjoying shopping for items influenced by other cultures. So too are Blacks. The ideal self-concept aspects of youthful and adventurous could inform promotional strategies for companies in the U.S. marketing items from other countries.

REVIEW QUESTIONS

1) What are some of the ethical issues involved in cross-cultural marketing?

Obvious issues include exporting potential harmful products such as cigarettes as well as products or services that disrupt the local economy. Altering cultural values and the lifestyles of countries in ways that may diminish the overall quality of life in the country are also issues.

2) What is meant by the term culture?

Culture is that complex whole that includes knowledge, belief, art, law, morals, custom, and any other capabilities and habits acquired by an individual as a member of society. It is important to marketing because culture indicates the approved ways of solving product-related problems for consumers.

3) What does the statement “Culture sets boundaries on behaviors” mean?

Normally, the boundaries of behavior are outlined by the culture, and even some of these boundaries for certain kinds of behavior are vague. On the other hand, very important behaviors, such as the ways in which one person may force behavior in others, are very well defined. Consumptive behaviors also run the gamut from vague (purchase and use of food products for entertaining) to fairly specific (what clothes one should wear for specific occasions such as weddings or funerals).

4) What is a *norm*? From what are norms derived?

Norms are rules that specify or prohibit certain behaviors in specific situations and are based on or derived from cultural values.

5) What is a *cultural value*?

Cultural values are widely held beliefs that affirm what is desirable.

6) What is a *sanction*?

Sanctions are penalties ranging from mild social disapproval to banishment from the group and are imposed on those who violate cultural norms.

7) Cultural values can be classified as affecting one of three types of relationships—other, environment, or self. Describe each of these, and differentiate each one from the others.

Other: Reflect a society's view of appropriate relationships between individuals and groups.

Environment: Prescribe a society's relationship to its economic, technical, and physical environments.

Self: Reflect the objectives and approaches to life that members of society find desirable.

8) How does the first of the following paired orientations differ from the second?

- a. Individual/collective: Individual emphasizes individual initiative and activity, while collective appreciates group cooperation and conformity.
- b. Performance/status: In performance orientation, opportunities, rewards, and prestige are based on an individual's performance, while in a status orientation those things are based on the status associated with the person's family, position, or class.
- c. Tradition/change: Tradition values no or little change, while a change orientation sees change or progress as good.
- d. Limited/extended family: Limited defines a family more tightly in terms of immediate relatives and imposes fewer obligations to respond to the needs of other family members than does an extended family orientation.
- e. Active/passive: An active orientation reflects the expectation that people will take a physically active approach to work and play. Passive simply means much less of that expectation.
- f. Material/nonmaterial: Whether the accumulation of material wealth is valued (material) or not (nonmaterial).
- g. Hard work/leisure: Is work valued for itself, independent of external rewards (hard work), or is work merely a “means to an end” (leisure)?
- h. Risk taking/security: Is the person who risks his established position or wealth on a new venture admired (risk taking) or considered fool hardy (security)?
- i. Masculine/feminine: Are rank, prestige, and important social roles assigned primarily to men (masculine) or women (feminine)?
- j. Competitive/cooperative: Is the path to success found by outdoing other individuals or groups, or is success to be achieved by forming alliances with other individuals and groups?
- k. Youth/age: Are prestige, rank, and important social roles assigned to younger (youth) or older (age) members of society?

- l. Problem-solving/fatalistic: Do people react to obstacles and disasters as challenges to be overcome (problem-solving), or do they take a “what will be, will be” attitude (fatalistic)?
 - m. Diversity/uniformity: does the culture embrace variation in religious beliefs, ethnic background, political views, and so forth?
 - n. Postponed gratification/immediate gratification: Is one encouraged to “save for a rainy day” (postponed), or should you “live for today” (immediate)?
 - o. Sensual gratification/abstinence: Is it acceptable to pamper oneself, to satisfy one's desires for food, drink, or sex beyond the minimum requirement (sensual) or not (abstinence)?
 - p. Religious/Secular: To what extent are daily activities determined by religious doctrine?
- 9) What is meant by nonverbal communications? Why is this a difficult area to adjust to?

Nonverbal communication refers to the transfer of information from one person to another without the use of language, spoken or written, such as using the size of an individual's office as an indication of status. It is difficult to adjust to because we assign our own culture's meanings to the nonverbal signs being utilized by another culture.

- 10) What is meant by each of the following as a form of nonverbal communication?

- a. Time: The culture's overall orientation to time and the way in which the meaning of time varies.
- b. Space: The use people make of space and the meanings they assign to it.
- c. Symbols: Different colors, numbers, and shapes acquire different symbolic meanings across cultures.
- d. Relationships: The degree of rights and obligations imposed by relationships and friendships.
- e. Agreements: The need to rely (or not to rely) on an extensive and, generally, highly efficient legal system for ensuring that business obligations are honored and for resolving disagreements.
- f. Things: The assigning of meaning to the possession of various objects and the degree to which acquisition of goods themselves is valued.
- g. Etiquette: Generally accepted ways of behaving in defined social situations.

- 11) What is *guanxi*?

Guanxi is literally translated as personal connections/relationships on which an individual can draw to secure resources or advantages when doing business as well as in the course of social life.

- 12) What is the difference between *instrumental* and *terminal* materialism?

Instrumental materialism involves the acquisition of products in order to achieve a goal (skis to allow skiing). Terminal materialism is the acquisition of products for the pleasure of owning the product (art, for example).

- 13) What are the differences between a *monochronic* time perspective and a *polychronic* time perspective?

People are monochronic if they have a strong orientation toward the present and the short-term future. A person who is polychronic has a strong orientation toward the present and past. As a result of different time orientations, each type of person has a different orientation toward time, situations, and relationships.

- 14) What forces seem to be creating a global teenage culture?

The emergence of worldwide mass media is the strongest influence. Entertainers and sports heroes as superstars and the universal appeal of a variety of sports are also important.

- 15) What are demographics? Why are they important to international marketers?

Demographics describe a population in terms of its size, structure, and distribution. Demographics differ sharply across countries and cause needs to differ, as well as influence the ability of consumers to fulfill needs.

- 16) What is *purchasing power parity*?

It is a measure of the ability of consumers in different countries with various income levels to purchase a set of goods. Basically, it equates the income level in a country to the income in American dollars that could buy the same set of goods that the income will buy in its home country. It answers the question, “how much would it cost in US dollars to live the lifestyle that a given income will buy in another country?” This allows meaningful cross-country income comparisons.

- 17) What is *glocalization*? What factors affect the need to adapt to local considerations?

Glocalization is generally meant to refer to global localization. This generally pertains to the notion that global brands must adapt to local market considerations. And while there is debate as to the extent of local customization necessary, factors such as differing cultural values, verbal and non-verbal communication, and demographics are major factors influencing the need for customization.

- 18) What are the seven key considerations in deciding whether or not to enter a given international market?

- a. Is the geographic area homogeneous or heterogeneous with respect to culture?
- b. What needs can this product fill in this culture?
- c. Can enough of the group(s) needing this product afford the product?
- d. What values or patterns of values are relevant to the purchase and use of the product?
- e. What are the distribution, political and legal structure of this product?
- f. In what ways can we communicate about the product?
- g. What are the ethical implications of marketing this product in this country?

Discussion Questions

- 19) Why should we study foreign cultures if we do not plan to engage in international or export marketing?

To better understand our own culture and the kinds of impacts it has on our consumers. In addition, all business is international or is at least affected by international business conditions and trends. Finally, one can hardly be considered educated without at least an appreciation of cultural differences.

- 20) Is a country's culture more likely to be reflected in its art museums or its television commercials? Why?

Probably in its television commercials. They are more likely to show how people actually think, feel, behave, and act over a wider variety of real situations. Note that when archaeologists describe the culture of an ancient civilization, they probably do so more by its products (dishes, furniture, tools) than by its art.

- 21) Are the cultures of the world becoming more similar or more distinct?

There is no answer to this one, but it is a good vehicle to bring out questions about standardization of marketing strategies. Some students will argue that increased travel and communication, higher levels of education and income, and so forth, cause breakdown in cultural boundaries. Others argue that there is an increased emphasis on retaining those boundaries with increased nationalism in many parts of the world. I believe that we are seeing some increase in similarity but not to the extent many students imagine.

- 22) Why do values differ across cultures?

Different social histories, physical environments, and religious influences create different values. It is fun to have students from different cultures describe their view of the forces that have shaped their cultures' values.

- 23) The text lists 18 cultural values (in three categories) of relevance to marketing practice. Describe and place into one of the three categories two additional cultural values that have some relevance to marketing practice.

Simplicity/Complexity: Are simple or complex stimuli, situations, and lifestyles preferred?
Environment.

Health: Are individuals deeply concerned with their short- and long-run health? *Self.*

Involvement/Noninvolvement: Are individuals deeply concerned or indifferent about occurrences that don't affect them directly? *Environment.*

- 24) Select two cultural values from each of the three categories. Describe the boundaries (norms) relevant to that value in your society and the sanctions for violating those norms.

It is probably easiest to ask students to do this first for the masculine/feminine value, and then let them volunteer other values that interest them. The masculine/feminine value is well known to them, and they are aware of the sanctions for violations. There are also noticeable differences across cultures that the students are likely to have noticed.

- 25) What are the most relevant cultural values affecting the consumption of each of the following? Describe how and why these values are particularly important.

- | | |
|---------------|----------------|
| a) Internet | d) Fast food |
| b) MP3 player | e) Luxury cars |
| c) Milk | f) Cell Phones |

This question is a good way to cover the concept of values and their role in product consumption. Almost any value can affect consumption, but some will have a stronger or more logical relationship. Push the students to justify their answers and to explain how a manager could utilize knowledge of those values to improve the marketing program.

- 26) What variations between the United States and other societies, *other than cultural variations*, may affect the relative level of usage of the following?

- | | |
|---------------|----------------|
| a) Internet | d) Fast food |
| b) MP3 player | e) Luxury cars |
| c) Milk | f) Cell phones |

Any aspect of demographics could be relevant. Clearly age and income are important across many of the products. Presence of children likely plays a role in fast food and milk, and so on. It is useful to have students rate the relative importance of demographic factors relative to cultural factors (from question 25).

27. Why is materialism higher in Korea than in the United States, where given its collectivist culture one might expect materialism to be lower?

This requires students to see that certain aspects of materialism can reinforce collectivist values. In this case, Korea scores higher on the success dimension which can be very important in uplifting the family. Such a focus on the family unit (rather than individuals) is a key aspect of collectivist cultures. Therefore, materialism, or different aspects of it, may act to reinforce different values in collectivist versus individualist cultures.

- 28) What values underlie the differences between Fiji Island and U.S. children in terms of the strategies they use to influence their parents' decisions? What marketing implications emerge?

This relates to the youth/age distinction, but goes deeper to differences in collectivism, respect for authority, and seniority. The Fiji culture is less individualistic and places a higher value on respect and seniority compared to the U.S. And this translates into differences in dealing with children in which Fiji parents are less tolerant and responsive to purchase "demands" on the part of children than U.S. parents. At a minimum, parent and child portrayals in ads would need to be sensitive to these differences.

- 29) What are the marketing implications of the differences in the *masculine/feminine orientation* across countries?

Looking at the data on participating in sports and exercise indicates that Mexico, France, and South Korea show the largest differences in frequent participation based on gender. More specifically, the data shows the changing orientation of women in traditionally masculine countries.

30) Respond to the questions in Consumer Insight 2-1.

Generational influences could relate to the cultural value of family – strong family focus and intergenerational influence appear to operate in Asia and South America. So, generational influence to continue washing by hand may persist longer than economic conditions suggest.

Scent is another factor that has had to be altered by country and region. For example, different parts of Europe and Asia prefer stronger or lighter scents.

The core value here is nature which could vary as a function of economic development, cultural history, etc. The UK consumer's greater focus on greener laundry products could be more about economics (using less energy and thus spending less money) than about a true focus on the environment.

31) Why do nonverbal communication systems vary across cultures?

Different social histories, physical environments, and religious influences over time create different nonverbal communications systems. However, I am unaware of any systematic attempt to classify cultures and/or regions in terms of their nonverbal systems and to "determine" ex post facto the causes of the differences.

32) Which, if any, nonverbal communication factors might be relevant in the marketing of the following?

- | | |
|------------------|----------------------|
| a) Watches | d) Laundry detergent |
| b) Jewelry | e) Lip balm |
| c) Facial tissue | f) Women's clothing |

Students should discuss each of the nonverbal communication factors (time, space, relationships, agreements, things, symbols, and etiquette) for each of the products listed in the question. They need to consider each element of the marketing mix as well. The easiest discussion will be around advertising and you may want to limit it to that area if time is short.

33) What are the implications of *guanxi* for a Western firm entering the Chinese market?

The most important issue is developing a deep understanding that these complex relationships exist. This understanding will emphasize the importance and value of *guanxi* and modify the approach a western firm will use in penetrating the Chinese market. In most cases, a re-evaluation of resources (relationships, time, agreements, etc.) is required.

34) To what extent do you think youth are truly becoming a single, global culture?

While there is no absolutely correct answer, the author's experience of living in a variety of cultures with and without his teenage (at that time) children leads him to believe that this is indeed true for middle and upper class teenagers in urban areas.

- 35) Will today's youth still be a "global culture" when they are 40? Why or why not?

This is a very good way to explore what a culture truly is and how it develops and changes. It may also cause some to reconsider their answer to question 34. If teenagers do indeed have a common culture including values, this is not likely to change radically as they enter adulthood.

- 36) How do demographics affect a culture's values? How do a culture's values affect its demographics?

Values have a stronger, more direct impact on demographics than vice versa. However, values are formed and evolve based on the history and environment of a culture. Demographics are part of that environment. Cultures with dense populations are likely to develop a collective orientation due to the requirements of living in close proximity. Societies that value risk-taking, hard work, and postponed gratification are likely to have high income and education levels.

- 37) What causes the differences between purchasing power parity and income as shown in the text?

Local cost structures, governmental provided health care, taxes, and other cost of living factors associated with the economic status of a particular country causes difference between raw income numbers and purchasing power.

- 38) The text provides a seven-step procedure for analyzing a foreign market. Using this procedure, analyze your country as a market for:

- | | |
|--------------------------------|--------------------------|
| a) Laptop computers from Japan | c) Sunglasses from Italy |
| b) Automobiles from Korea | d) Wine from Chile |

This question can provide an excellent method for presenting the material on cross-cultural marketing strategy. I recommend splitting the class into a multiple of seven groups and assigning each group one of the seven considerations listed in the text. Then have each group evaluate one or more of the products listed above with respect to the key consideration it was assigned. When given time to prepare, a very good discussion that involves the entire class can be generated.

- 39) What are the major ethical issues in introducing prepared foods such as fast foods to developing countries?

The consumption of this product might divert resources from other, more important, food purchases. For example, high fat, high sodium burgers and fries may cost more and be less nutritious than fruits and vegetables. Disposal of the product may be more difficult and therefore create an environmental problem.

- 40) Should U.S. tobacco firms be allowed to market cigarettes in developing countries? Why or why not?

The answer depends more on one's value system than on any set of facts. It is critically important to respect the views of all students in such discussions. You can play devil's advocate but it is sometimes easy to intimidate students this early in the term. If no one mentions it, an interesting point is that it is somewhat condescending for the U.S. to attempt to govern what occurs in another country.

- 41) How can developing countries keep their cultures from being overly Westernized or Americanized?

There is no answer to this question. Legal restrictions can have a modest impact. However, cultural change (or lack of change) cannot be legislated in the long run. Fortunately, while there are many trends toward Americanization, there are increasing forces supporting local traditions and cultures (including the increased sensitivity of at least some multinationals to local custom and values).