
Papers

Cultural marketing: Maximising business effectiveness in a multicultural world

Received (in revised form): 4th February, 2015



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Abstract Standardising marketing strategy across cultures does not contribute to a company's bottom line. Culture influences consumers' behaviour, thinking and perception. Many strategies and advertising messages made for one culture are not effective in another. Culture can be measured and models have been made that compare cultures on indices that help explain the various aspects of consumer behaviour. A model developed by Geert Hofstede with six dimensions is presented, together with examples of how these explain cultural differences. In advertising, concepts developed for one culture may not be understood and thus may not be effective in other cultures where people have different mindsets. Often configurations of dimensions best explain differences and cultures can be mapped. An example is a two-dimensional map of advertising styles across cultures. Understanding cultural differences will drive business results.

KEYWORDS: culture, standardisation-adaptation, consumer behaviour, advertising styles, Geert Hofstede, cultural marketing, translating advertising

INTRODUCTION

In global marketing, a long-time discussion has been about standardising or adapting marketing and advertising to different cultures around the world. Arguments for standardisation are the wish to be consistent

across markets and cost reduction because of assumed homogenisation of consumers' values. This homogenisation is based on wishful thinking. There may be global products or brands, but there are no global people with global motivations for products and brands.

Not taking consumers' motives and preferences into account will in the end negatively affect a company's bottom line. Already at the turn of the century practice had shown that much standardised global advertising is wasted in markets where consumer values are different from the values included in the advertising message. The Coca-Cola Company, which in the early 1980s was one of the first global companies to embrace standardised marketing programmes, in the year 2000 decided to get closer to local markets. Coca-Cola's CEO Douglas Daft was quoted in 2000 as saying: 'We kept standardising our practices, while local sensitivity had become absolutely essential to success.'¹ The advertising research company Millward Brown has studied the effects of advertising for a long time and concluded that few advertisements can transcend cultural boundaries. While using the same advertising campaign across borders may offer cost efficiencies, the savings may not outweigh the benefit of local engagement.²

A similar effect might be found when standardising marketing programmes for different cultural groups within large nations, as in the USA. Although Americans of European, African, Asian and Latin descent may not be comparable to the countries of origin because of acculturation effects, important values may vary across ethnic groups.

The assumption that so-called millennials — young adults aged 18–33 — are a more homogenous segment of society with respect to culture and thus are a target for standardised strategies should be tested. A recent Pew Report³ states that millennials are the most racially diverse generation in US history. According to a Nielsen Report,⁴ millennials keep strong ties to their home country — from food choices to language and media preferences. These ties keep them connected to their ethnic and cultural backgrounds. In Hispanic and Asian-American cultures multigenerational

households still are more prominent than in European-American households: 'a trend that can affect family dynamics, household watch and buy patterns and housing development, and further strengthen ties to the home country. In particular Hispanics are choosing to speak more Spanish and maintain cultural ties.'

For developing effective strategies, marketers have to understand the consequences of cultural differences. Yet for many, culture is a difficult, abstract concept.

CULTURE'S CONSEQUENCES

The term culture is most used in terms of popular culture, the expressions of culture, but these are driven by shared values or mental programmes. Hofstede defines culture as 'the collective mental programming of the people in an environment. Culture is not a characteristic of individuals; it encompasses a number of people who were conditioned by the same education and life experience.'⁵ Culture includes the shared beliefs, attitudes, norms, roles and values found among speakers of a particular language who live during the same historical period in a specific geographic region. These shared elements of subjective culture are usually transferred from generation to generation and are relatively stable over time.

Individuals are shaped both by unique personal characteristics and by cultural values. Several aspects of the self-concept are affected by culture. An important hypothesis in consumer behaviour is that people will buy products that are compatible with their self-concept or that will enhance their ideal self-image. Culture, however, plays an important role in the construal of self and in the perception of ideal images. An example is the ideal woman's figure that varies across cultures. Other important influences of culture are on needs, motives, attitudes and beliefs, all drivers of consumer behaviour.⁶

Brands may be global, but the motives for using them are different. Whereas

Coca-Cola in the USA is consumed to quench one's thirst, in many other countries drinking Coca-Cola is a status symbol. Statistical analysis of the ownership and usage of technological products confirms that convergence of technology is not the same as convergence of people's values and habits. Instead, technology reinforces the differences and together with increased wealth leads to divergent behaviour instead of convergence. People will embrace new technology to do the things they are used to doing, but in a nicer or more efficient way.

Many global marketing, branding, retail and advertising strategies reflect the specific values of the Anglo-Saxon world. These are composed of strong beliefs in an individual's autonomy and independence. There are indications that Hispanic-, Asian- and African-Americans do not fully share such values, and this may be reflected in their consumer behaviour.

Across nations differences in cultural values have been measured and categorised into dimensions of national culture. Such dimensions can also be found for regions or ethnic groups within large nations. Dimensions are generally developed from large amounts of variables by statistical data reduction methods (eg factor analysis) and provide scales on which countries are scored. The most used model of national culture is by Geert Hofstede.^{5,7}

HOFSTEDE'S DIMENSIONS OF NATIONAL CULTURE

Hofstede developed a model of six dimensions of national culture that help to understand basic value differences. These are labelled power distance, individualism-collectivism, masculinity-femininity, uncertainty avoidance, long-/short-term orientation and indulgence-restraint. The dimensions are measured on a scale from 0 to 100 (index). These scores indicate the relative differences between cultures. Country scores are available for 85 countries.

The dimensions can be used to explain cross-country differences in all aspects of consumer behaviour. Such a model can also be developed for ethnic groups within large countries. For those readers who are unfamiliar with the model, a short description of the six dimensions follows.

Power distance is the extent to which less powerful members of a society accept that power is distributed unequally. In cultures that score high on this index everybody has his/her rightful place in society, there is respect for old age and status symbols are important to show power. In cultures that score low people try to look younger and powerful people try to look less powerful. A large part of the world scores high on this index. Only the Anglo-Saxon world and north-west Europe score low.

In *individualistic* cultures people look after themselves and their immediate family only; in *collectivistic* cultures people belong to in-groups who look after them in exchange for loyalty. In individualistic cultures people develop unique personalities; in collectivistic cultures identity is based on the social network to which one belongs. In individualistic cultures there is more explicit, verbal communication; in collectivistic cultures communication is more implicit and indirect because of needs for harmony. About 70 per cent of the world population is collectivistic. What generally is called the Western world scores as individualistic. All of Asia, Latin-America, Africa and the south and east of Europe score collectivistic.

Hofstede's *masculinity-femininity* dimension measures the degree of assertiveness or achievement orientation versus quality of life as well as the degree of role differentiation versus overlapping roles of males and females. It explains status needs to show one's success as well as differences in household roles like cleaning, childcare, cooking and shopping. The USA scores high on this index. In Europe, Germany, Italy and the UK score high, whereas the Netherlands, Denmark and Spain score low; Mexico scores high, but

Chile low; Japan and China score high, while Thailand scores low.

Uncertainty avoidance is the extent to which people feel threatened by uncertainty and ambiguity and try to avoid these situations. It is not the same as risk avoidance. In cultures that score high on uncertainty avoidance, there is a need for rules and formality to structure life. Competence is a strong value resulting in belief in experts. Purity in food and drink and cleanliness are important values. In cultures that score low there is more belief in the generalist, and people tend to be more innovative and entrepreneurial. Latin American cultures score high; Germany and Japan score high, the USA medium, Denmark and China low.

Short-term orientation includes values of national pride, tradition, low thrift, self-esteem, self-enhancement, magnanimity and generosity. Included in *long-term orientation* are longer term thinking, thrift, perseverance and pragmatism. In short-term oriented cultures, people tend to be religious, often with a strong belief in a God that will solve their problems, regardless of what they do themselves. This can be viewed as opposed to the self-reliance of long-term oriented cultures.⁸ East-Asian countries, Germany and the Netherlands score high on this index, whereas the USA and countries in the Middle East, Africa and Latin America score low.

The dimension *indulgence-restraint* was developed by Minkov in 2007 and was added as a sixth dimension to Hofstede's model.⁹ Indulgence includes the degree of happiness people experience, the control they have over their own lives, and the importance of leisure. Restraint includes values like hard work and thrift. Low scores include buying something only if really needed. High scores include wanting to pay for extra quality and indulging in the latest gadgets. Latin American countries and the Anglo-Saxon world score high on this dimension. Low scores are found for China and Japan and ex-Soviet dominated countries.

Several studies have tried to measure cultural differences across the ethnic groups in the USA, with varying results. The only dimension that has been used is individualism-collectivism, with the assumption that Hispanic-, Asian- and African-Americans would score as more collectivistic than European Americans. Some studies confirmed this, whereas others found that African-Americans scored highly individualistic, even more than European Americans. This was assumed to be due to a survival mechanism of African-Americans to cope with exclusion from the dominant society. Most samples of such studies have consisted of students, and the cultural orientation of college students may differ from those of young adults who do not attend college. This issue may be particularly salient for minority students.¹⁰ If Hofstede's research were to be properly conducted in the USA, this might help develop more effective cultural strategies.

CULTURE AND CONSUMER BEHAVIOUR

Many differences in product usage and buying motives across nations are correlated with Hofstede's dimension scores. Values of national culture explain, for example, differences in the volume of mineral water and soft drinks consumed, ownership of pets, of cars, the choice of car type, ownership of insurance, possession of private gardens, readership of newspapers and books, time spent on television viewing, ownership of consumer electronics and computers, usage of the internet and social media, usage of cosmetics, toiletries, deodorants and hair care products, consumption of fresh fruit, ice cream and frozen food, and numerous other products and services. Cultural dimensions can also explain differences in product and package design, consumer decision making, adoption of innovations, internet usage and shopping behaviour.^{6,11}

Such behavioural differences have implications for all marketing aspects, such as product development, brand positioning, marketing communications and distribution. For example, the design of shopping malls cannot be the same across cultures if there are fundamental differences in shopping behaviour. Whereas shopping in the Anglo-Saxon world tends to be done as efficiently as possible, in many Asian countries it is viewed as entertainment for the whole family. Because of perceptual differences, brand packages have to be different with respect to size, type of material, design and visuals.¹¹

USING CULTURAL DIMENSIONS FOR ANALYSING COMMUNICATION PREFERENCES

One of the most important consequences of culture is for the communication behaviour of consumers, including the need for information for decision making, how they process information, preferences for communication products such as literature and film, and personal communication styles that are reflected in advertising styles. Culture can be recognised in popular music, literature, film, television programmes and website design, in usage of social media and in preferences for advertising styles.¹²

Whereas much North American literature offers good solutions, the ‘happy ending’ is rare in Japanese novels and plays. A baroque artistic style and magic realism are part of Latin American literary style, such as in Gabriel Garcia Márquez’s novel *One Hundred Years of Solitude*, and it is also recognised in Latin film genres. The essence of much drama in Western, individualistic literature is an eternal struggle of the hero (‘To be or not to be’). In literature, concepts and manifestations of tragedy vary. Chinese essayist Bin Xin has noted that real tragedy has never existed in Chinese literature because the Chinese have hardly any struggles in their minds.¹³ Western readers of Chinese novels find a lack of psychological

depth and plot, as most Chinese novels describe what happens without analysing why it happens.¹⁴ There is much repetition in African narratives, whereas repetition is avoided in European narrative.¹⁵

US films have been found to be most successful in culturally similar countries.¹⁶ Michael Monaco of Monte Carlo Solutions (MCS) — a consultancy firm in the film, television and music industry — utilised a database of box office performance of around 12,000 US-made films, of which 1,500 films were released in ten countries: Russia, Spain, France, Brazil, Argentina, Australia, USA, Germany, UK and Mexico. He found that the highest box office revenues per 1,000 people for US-made film genres like action, horror, thriller and comedy are in countries of similar cultural values to the USA: cultures scoring individualistic and low on power distance and uncertainty avoidance. This cultural configuration points at values of excitement, adventure, verbal expression and action orientation that are the basis of Anglo-American desires for leisure. For genres like action, comedy and horror, France and Germany rank lower, whereas for genres like documentary and fantasy, France and Germany rank higher. Documentary also appears to be more popular in the Latin countries.¹⁷

Soap operas developed in Europe are different from American soaps. In Latin America, even in small countries that have a relatively strong inflow of foreign — mostly American — entertainment programmes, people prefer programmes that are close to their own culture. In Brazil and Mexico, some popular American imports have failed. The American soap *Dallas* never ranked as high in Brazilian ratings, and it was not in the top 100 shows in Mexico.¹⁸

CULTURE AND ADVERTISING

A concept or idea that is relevant for one culture is not necessarily relevant for others. In different cultures people have different

schemata — structures of knowledge a person possesses about objects, events, people or phenomena. To place newly acquired information in memory, it must be encoded according to existing schemata.¹⁹ Most acquired information is organised in schemata that already exist in the memory.

When processing advertising, the information presented in an advertisement will fit or not fit an existing schema. Often only the information relevant and important to the activated schema is selected; the rest is lost. One's own cultural roots may inhibit the perception of stimuli coming from another cultural perspective and/or interpretation of the meaning may not be as intended. As in cross-cultural communication both the sender and receiver are influenced by their culture, it is difficult to transfer advertising across cultures. The larger the cultural distance, the greater the risk of miscommunication.

People of different countries speak different languages, and along with culture, languages represent different worldviews. Translations do not uncover different ways of thinking and different intellectual styles. International advertising consultant Simon Anholt says, 'Translating advertising copy is like painting the tip of an iceberg and hoping the whole thing will turn red'.²⁰ Advertising is more than words; it is made of culture.

Translating or adapting an advertising idea developed in one culture usually does not make it fit for another culture. An example was a global advertising campaign by Unilever for the detergent brand OMO. The message was 'dirt is good', based on the belief that when children are developing and learning, they will sometimes get dirty. The idea was to encourage parents to leave their children free to get dirty and develop as OMO takes care of the dirt. Yet, whereas in the UK children are raised to be more independent, this is not so in Asia. Also attitudes to dirt differ. In Asia, dirt is dangerous and

threatening, to be avoided. In the UK it is more of an unsightly nuisance.²¹

MAPPING CULTURES

Cultures can be mapped with the help of cultural dimensions that are found to best explain differences of motives, needs or behaviour. Analysis of buying motives for automobiles has shown that the dimensions uncertainty avoidance and masculinity-femininity together best explain car buying motives. Differences in status needs can best be explained by the configuration of power distance and masculinity-femininity. Analysis of cross-cultural data on communication behaviour in social media found the configuration of individualism-collectivism and long-/short-term orientation provided the best explanation. This configuration also explains cultural differences in advertising styles that have been found in many studies.¹¹

The dimension individualism-collectivism divides the map with respect to direct and indirect communication styles that include hard versus soft sell methods, low versus high context, and verbal or textual style. Examples of advertising formats that represent the direct style are testimonial, demonstration and comparison. Examples of advertising formats representing an indirect style are drama, use of metaphors, symbolism and entertainment. In US marketing literature, the term *emotional* is used for the indirect style, as opposed to a *rational* argumentative approach which is at the basis of persuasive communication. The term emotional is used as a catch-all term for the many variations of indirect style of a large part of the world.

The dimension long-/short-term orientation mostly distinguishes between long-term thinking with respect to building relations between brands and consumers, thrift and modesty versus short-term thinking such as 'buy now, pay later', and needs for self-esteem and self-enhancement. These differences can

be found across both individualistic and collectivistic cultures. Most Latin-American cultures score collectivistic and short-term oriented, whereas East-Asian cultures score collectivistic and long-term oriented.

The cultural map in Figure 1 summarises some of the different advertising styles and formats in the four quadrants.

A consequence of the variety of advertising styles is that advertising effectiveness measurements of one culture cannot be used for measuring the effectiveness of advertising in other cultures. Many of the measurements developed in the Anglo-Saxon world do not apply to advertising in other parts of the world. In particular, emotion research must adapt as emotions are not universal. The various components of emotion, such as experience, expression and recognition of emotion as well as emotional responses vary with culture.⁶

CONCLUSION

Understanding cultural differences drives business results. One standard strategy has been assumed to reduce costs because of economies of scale. What is gained by cost reduction, however, is lost by loss of effectiveness. Consistency in presentation is another frequently heard argument for standardisation because of the need for *control*. Companies want to be sure that their brand values are consistently similar across cultures. Usually their input is driven by their own cultural values. If consumers elsewhere perceive these brands as having different values from those the company intended, the process is *out of control*. To keep control specific brand characteristics must be defined for each of the cultures where the company operates, whether these are national cultures or large ethnic groups within nations.

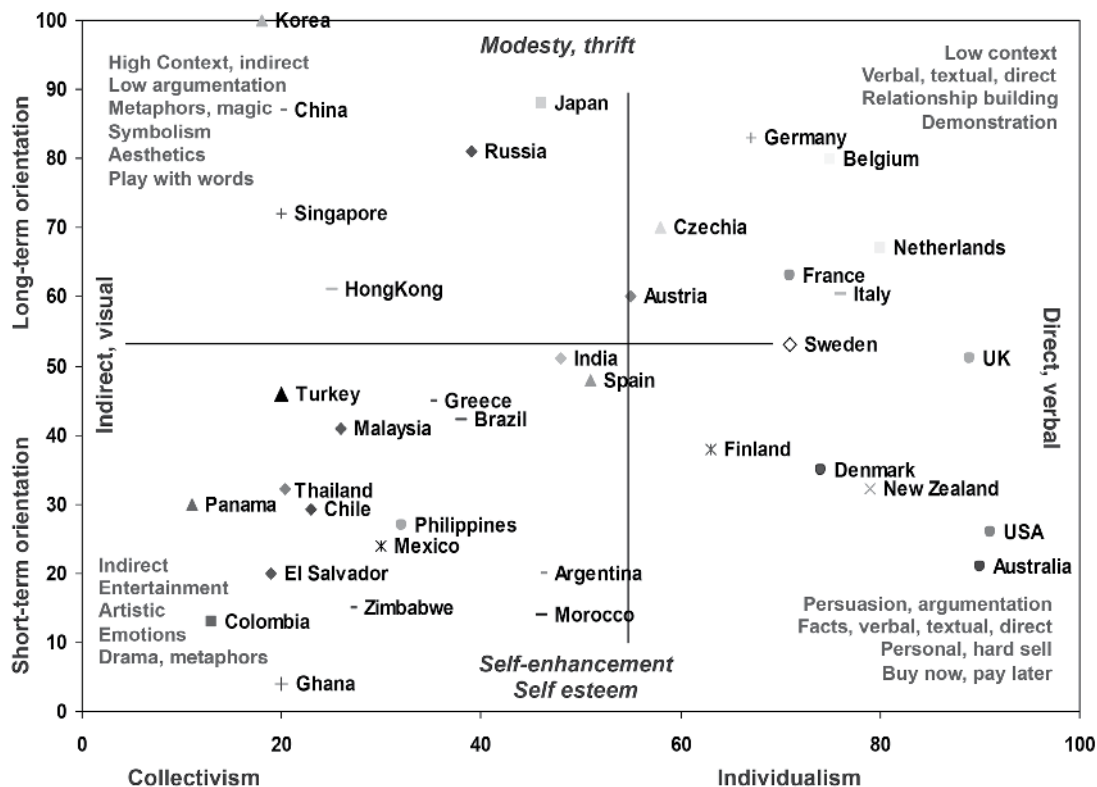


Figure 1: Cultural map of advertising styles
Source: De Mooij.¹¹ Data from Hofstede *et al.*⁷

Corporations can benefit by developing effective cultural marketing strategies in the USA. Understanding differences in the motives, needs, habits and communication styles of the various cultural groups is essential for business success. Measuring the cultural values of the various groups would be a start.

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