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Lecture - 24 Influence of Culture on Consumer Behaviour

Welcome. Today we are going to discuss about the Influence of Culture on Consumer Behaviour and I Dr. Srabanti Mukherjee from Vinod Gupta School of Management in Indian institute of technology – Kharagpur will be taking it through this particular topic.

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Chapter Goals

After completing this chapter, you will be able to understand:

- The meaning, elements, and characteristics of culture
- Cultural identities in India
- The various sub-cultural factors shaping up consumer behaviour
- Cultural adoption process
- Influences of culture and sub-culture on consumers and marketers
- Cross-cultural influences and their marketing implications

So in this module, we are going to cover the meaning, elements, characteristics of the culture, cultural identities in India. To some extent, I will take you through this, but not in details. The various subcultural factors shaping the consumer behavior, cultural adoption process, influences of culture and subculture on consumer and marketers, cross-cultural influence and their marketing implication.

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Culture Defined

- Culture is 'that complex whole that includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society', Edward B. Tylor (1871).
- Culture is 'the distinctive way of life of a group of people, their complete design for living', Clyde Kluchohn (1951).

Amongst this, I will take you through the first, fourth, fifth and sixth topic in details and rest, I will just touch upon while discussing the rest. So to begin with, we start with the definition of culture. What culture means? Culture is that complex whole that includes knowledge, belief, art, morals, law, custom and any other capabilities and habits acquired by mean as a member of the society.

So this was told by Edward B. Tylor in 1871. So which means that we live in culture. Whatever we learn from our heredity, whatever we learn from our society, whatever we learn from our organization as whole forms a certain kinds of behavioral norms amongst ourself. We actually stay within that boundary. So that boundary is known as culture and culture is basically a distinctive way of life of a group of people that, or other we can say it is a complete design for the living.

Once we grow up, we go to the school, nursery school, then we grow up, we go to the secondary school, then college, then university or whatever, then accordingly certain age, we have our several kind of rituals, like Annaprashana, then we have Upanayana, these kind of occasions at certain ages, then even marriage. For that also in certain ages. So these are all you know, kind of practice, which is going on by which we also adopt these kind of norms of the society.

So basically as I said, we live in culture.

CHARACTERISTICS OF CULTURE

- Culture is a comprehensive concept. It includes everything that influences an individual's thought processes and behaviour.
- Culture is acquired. It does not include inherited responses and predispositions. Nonetheless, since most human behaviour is learned rather than innate; culture does not affect a wide array of behaviour.
- Culture is learned by interacting with the other members of the cultural group to which an individual belongs.
- Culture is transferred from one generation to another, with new influences being added to the cultural soup. Thus, culture is always cumulative.
- · Culture is adaptive. It changes in response to the needs of the society.

So, therefore the characteristics of culture, if you try to analyze, it is a comprehensive concept. It includes everything that influences an individual's thought processes and behavior. Culture is acquired. It does not include inherited responses and predisposition. Most of the human behavior is learnt rather than innate; culture does not affect a wide array of behavior. Culture is learnt by interacting with other members of the cultural group to which an individual belongs.

I may learn to behave in certain way because I am in a particular school where I am studying and in that school maybe in early morning all the students go and perform prayers. For example, students of this Ramakrishna Mission Schools. They perform a way early morning prayers, so that becomes a habit within this kind of students and maybe they can perform it all throughout their life, at least full period in which they are in school.

So culture is transfer from one generation to another with new influences being added to the cultural soup. That we perform the Durga pooja, that we will buy new dresses during Durga pooja, all these rituals are getting transformed from one generation to another generation, but of course the type of dress, the type of jewelry might vary, because the new generation may like some new designs or some modern amenities maybe.

So culture is cumulative. We are performing the rituals of the Durga pooja, but along with that we are not only buying traditional sarees or you know rupees, people are also buying different modern dresses, which might be a culturation from different kind of cultures, I mean, maybe some has come from the British culture like, pant, shirts, all this thing has come from there, jeans and all this is coming from again some western culture, which the young generation is exposed to.

Culture is adoptive. It changes in response to the needs of the society. Like using mobile phones. Before 90s, it was never a very seen product in our country, India. From the end of 1990s or mid of 1990s we have seen the busy executives, they are using this kind of mobile phones, but still it was an executive product that time, but now it has become a necessity. Even the maids, rickshaw pullers, I mean to say the lower income people those who actually belong to the lower social class

They also are using it because it is not a status symbol now, it is more of a necessity. So this is how culture changes, I mean, it is more of adaptive.

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ELEMENTS OF CULTURE

- Languages and Symbols
- Customs and Rituals
- Norms and Sanctions
- Values

So the elements of culture, the first element of culture is the language and symbols. For example, both you know these languages and symbol act as communication media amongst or within the culture. This communication may be verbal, may be non-verbal using images that convey ideas

directly or indirectly that enhances operating in multi-lingual regions must be aware of the implications of each word they use in their advertising campaign and branding nomenclature.

Besides languages and symbols may carry sometimes different meanings and associations in different countries. For example, owl symbolizes wisdom in west, but stupidity in our country. I would site a very classic example in this context, that is how the friction of language was identified in case of (()) (07:51) electrics promo Japanese PC for internet users in (()) (07:57) Panasonic.

A huge marketing campaign for USA was waiting on the row for (()) (08:04), which almost at the 11th hour, they had to cancel the same, why. The reason was related to the selection of words. Actually Panasonic resorted to a cartoon character named Woody Woodpecker and the ad carried the slogan 'Touch Woody, the internet pecker.' Needless to say in America Touch Woody and picketer were considered as slang language or slang words.

This incident was considered amongst one of the world's most ironious branding moves. As the cross border marketers should be very, very careful in choosing words while operating in multilingual regions. Second is we talk about the customs and rituals. Customs are actually the established rules or behavior within the society. They define what is or not acceptable. In American culture for example, a ceremony is a joyous event or humorous event.

Whereas in India, it is (()) (08:58) affair. Rituals are patterns of behavior quite often complex; they are shared by a group. Rituals may include burning incense sticks during Pooja or buying a new dress during Diwali. Customs and rituals often represents a substantial marketing opportunity if it is possible to associate with an object or event commonly referred as artifacts with the festivals.

Archies Gallery, they design cards for various, you know, ceremonies or occasions, even we can say that Tanishq Subham collection, they are coming with several designs mostly targeted towards the festive season, particularly (()) (09:40). Norms and sanctions, the boundaries that culture sets in the behavior of its subjects are called norms. To be more precise, norms are those

sets of rules that specify or prohibit certain behaviors in specific situations based on or derived

from cultural values.

Although it is a norm in France or USA to kiss an acquaintance just to greet. In Japan also there

is a system called mauri, this mauri greeting involves touching of noses. But in India physical

contact for greetings is not so acceptable. Rather we say Namashkar or Namaste with a folded

hands to whom we want to greet. Second, here we see the term called sanction. Now sanction is

certain kind of, I mean, we society accepts, certain kind of behaviour which a particular culture

accepts.

For example, in the solely male usable commodities in Saudi Arabia, the female models are not

much allowed in that. So that is the sanction which, it is not sanctioned. Even in a particularly

different kind of sexual images are all in the advertisement, that can be censored by the authority.

That will not get the social sanction amongst the customers in India particularly, because we are

not so open about the sexual notes. So this is one kind of sanctions.

Then is values if you say values is present in the deepest level of culture they are the brought

feelings about what is good, what is bad, clean and dirty, beautiful or ugly, rational/irrational, etc.

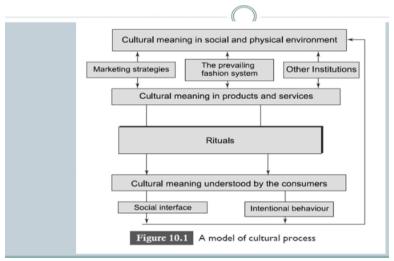
Nescafe has used the sense of optimism amongst Indian youth in its new advertisement. So

optimism is one of the values which in an youth have. So that has been used by Nescafe, so this

kind of things, this is certain elements of culture.

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A Model of Cultural Process



Now we talk about a totally different aspect, that is we are talking about the model of cultural process, okay. So when we are talking about the model of cultural process you know, like, you can see it is a three or four-step process actually, but it is, in many places it is bi-directional. Major points of this particular module is first the cultural model in social and physical environment, cultural meaning in products and services, then rituals and cultural meaning understood by the customer.

So these are the four major blocks, and in between there are certain, you know, here we see some bi-directional blocks. I will just now try to explain what this model talks about. The first one, I am seeing how cultural meaning in social and physical environment is transformed in cultural meaning in products and services.

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Two ways that meaning is transferred to the consumers

• Marketing strategies are structured in such a way that the cultural meanings flow from the physical and social environments into products and services. Like: Nestea ad.

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 Sometimes, consumers themselves want to acquire these cultural meanings in products "in order to establish a desirable personal identity or self-concept".

So two ways, the meaning is transformed to the cultural, to the consumers. First, marketing strategies are structured in such a way that the cultural meanings flow from the physical and social environment to the product and services. Just an example, say Nestea, they show this is Nestle Nestea, they shows an add that a fully dressed person, he is in swimming pool and he is enjoying Nestea. So, which means swimming pool is just for relaxation for coolness and that particular coolness that concept is added this is actually added to this particular ad, particular product that is Nestea, so it is cool.

So sometimes customers themselves want to acquire these cultural meanings in products "in order to establish a desirable personal identity or self-concept." For example, nail polish, it is some objective style may be, that is what we understand, why, because we have seen from years together the film stars or the fashion models, they are using nail polish. So we associate nail polish with fashion or style.

And now if you want ourselves to be fashionable we try to buy nail polish to show that we are also fashionable. So this is some way the meaning has been transferred. Now how this cultural meaning in the social environment actually moves to the products and services. As you can see this actually moves to different marketing strategies. But it is filtered through the prevailing fashion system.

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And it can also pass through other institutions, I will just discuss one by one, marketing strategies let us come first. So how cultural meanings move to the product this step, by marketing strategies. So what are those strategies we are talking about, first is by advertising strategy it can move you know, the cultural meaning. How, because if I show in the Flipkart ad that or Snapdeal ad that I am sending gifts through Snapdeal or Flipkart during a festival season or Diwali.

So which means that during your, you know, sending gifts you can use Snapdeal or you can buy from Snapdeal and send, you can buy from Flipkart and send to a particular person. So that advertising message actually flows a meaning to the product in this case, the service that is Flipkart. Similarly advertising messages can also like if the product, if it shows that region teller for all occasions.

When Amitabh Bachchan is using, is showing in the ad region teller truth that kind of elegance it is having, the product itself, because the associated ambiance was created in that way, so the cultural meaning is actually transferred to the product itself. It could be transferred through pricing strategies as well, a very expensive product like Mercedes Benz or Rolex watches these actually by the pricing itself it shows that it is an elegant product and so that is how it is, the pricing itself can transfer a kind of meaning.

That is the discount strategies like Walmart and Pantaloons, they keep on giving different kind of discount. So that itself develops a certain idea about the stores. Big Bazaar and all they give different kind of weekly discounts and that develops a kind of culture for this shopping malls for the customer, because in the weekends, we can see generally the foot fall is higher and people assume that, okay, we can get a better deal if we go during the weekend.

So weekend is a best time for shopping in Big Bazaar, so this is the idea, or this is the culture which has been build in the mind of the customer. Products can be designed accordingly. Pouch packs or sachets, we can say that okay this particular packaging design has be done either for the low-income section or for the single, say it is dove and it is a sachet of three rupees of that shampoo, then it might be for these, you know, the single person households.

So that is a kind of idea we have, different kind of product design also transfer different kind of meaning. I will just share one very small incident to you all, that is long back in 1980's in the Japanese television market. Now what, I mean, rather it is a Chinese television market, but two players were there, one is the European player and the Japanese player that time they were producing very good quality of televisions.

Now once the European manufactures they have seen the customer habit in China, that they are more inclined towards saving, they more future oriented rather than they are living in today. So given this they thought you know, we cannot develop lower price product, so probably China is not a market for us so they concentrated in the other part. Japan thought this is an opportunity, this is an opportunity and they thought that you know, that is it possible.

Chinese people have a certain kind of habit but they accumulate money over a period of time and then they want to spend that. So they targeted the savings of the Chinese customers and how they can use a part of savings for buying a television and they by this technology also they have developed you know like the, they have developed televisions, also which can be of little lower priced, but with good technology of course and it targets to the savings of the Chinese customers.

That is how Japanese televisions flooded the Chinese market on the contrary European television systems they have, the manufacturers have missed this opportunity. So this is why you have to be very careful regarding the product designs. Now, in distribution models I, probably I have discussed in the other sessions about Hindustan Unilever's project, Shakthi initiative where several lower priced fast moving consumer goods from Hindustan Unilever is marketed through Shakthi ammas or the local woman entrepreneurs.

So that shows it is for the region, this product is precisely targeted towards the rural India and it is distributed accordingly.

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How cultural meaning flows from products to consumers?

- Cultural meanings moves from products into consumers through rituals.
- "Rituals are symbolic actions performed by consumers to create, affirm, evoke, or revise certain cultural meanings".
- Rituals are of six types
 - × Possession rituals
 - **×** Exchange rituals
 - × Grooming rituals
 - × Divestment rituals
 - × Acquisition rituals
 - × Bargaining rituals

Now the second part is how cultural meaning flows from products to consumers. Now cultural meaning moves from products to consumers through different kind of rituals. Now what are these rituals, rituals are symbolic actions performed by consumers to create, affirm, evoke, or revise certain cultural meanings. There are six type of rituals through which the cultural meaning flows from products to customers.

One is possession rituals, when I buy something, I have bought new house and I call people in house warming party. That is a culture, so that could be shown even in the advertisement of colours like different paints, colours means I mean paints. So paints can use this, then different

interior decorative can use this kind of things. Even the front, the real estate companies can use this thing in their advertisement or promotional campaign.

Exchange rituals, like during Durga pooja or different celebrations, we keep on exchanging the gifts, Diwali we keep on exchanging the gifts. So that also like Flipkart and all they have used these exchange rituals also. Grooming rituals like male will dress in a particular way, female will dress in a particular way. Virginia slims, if you close your eyes and say Virginia slims, we think of a image of a girl itself.

You say Marlboro cigarette; we have an image of a man. So this kind of image which, maybe like J. Hampstead suiting shirting, which is like promoted by Hrithik Roshan these days and it is saying like in a different league. So this J. Hampstead or you we talk about Virginia slims, these are talking about the different, the product for different genders itself. So this is the grooming ritual from which we infer different kind of cultural meaning.

That this product is for male, this product is for female, this product is for young stylish person and this product is for a professor, this product is for doctor, so and so forth. Divestment rituals, sometimes we try, when we selling the house or the car we try to move certain positions with which we are too much attached like our old car, old watch, some accessories in the car with which we are like say some models in the cars, some dolls in the cars with which we are too much attached so those kind of things we try to remove, so these are the divestment rituals.

Then we have acquisition rituals, like ice-cream is for fun, ice-cream is for relaxation. So these are some kind of acquisition rituals. Bargaining rituals, when we know that when to get a best deal. So how to bargain, there are some fixed price store, there are some bargaining stores, Dollar stores. There are some kind of stores like Dilli Haat and all, where we can bargain also. So this is a bargaining.

And how to bargain, shall we start with the, if the shopkeeper says two hundred rupees price, shall we start with hundred rupees to bargain or we start with hundred and fifty rupees to bargain. So that develops the particular culture in the particular market, how to bargain?

Further..

- Cultural meanings in consumers
- Moving meanings to the cultural environment
 - o through people's social behavior or interaction
 - O As a part of cultural process

And then how cultural meaning, what are the cultural meaning in consumers. See cultural meaning in consumers, if you consider there is different kind of, you know, varies across the society, and particularly sometimes for example, Denise they love Eel, Mexicans they love chilly, Irish they love Ginis, French they love Cheese, these may have different meaning in different culture.

And secondly you know like some people try to get a reproduction of the product like. I am a cricket fan, so I want to buy cricket jerseys, so this kind of things. And the last part is moving the meanings to the cultural environment. This is the last part of our module you can see here. So here there are two steps, as you can see, one is through the people's social behaviour or interaction.

A person who adopts certain kind of stylish behaviour where designer dresses or wear boutique dresses and he is walking in ad agency, he is constantly going there in that way and that slowly seeing that his colleagues are also started developing buying this kind of dresses. And as a whole they have started buying almost similar kind of dresses, which means that they earlier had a different dressing habit, but now from this person this culture has been flowed to the other members with whom he or she is interacting.

This is the way the reference groups like the celebrities, particularly they spread different kind of dressing habits to the particular fashion amongst the customers. And then it is a reciprocal process it is a part of cultural process, then somebody else who is again joining to that particular ad agency, he starts dressing in the same way.

So which means first one person started dressing in a particular way, and the other started following him and now, where a new person is coming he or she feels that, that is the culture of the organisation, so he or she starts adopting dressing that particular way. So it is a reciprocal way of doing things.

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Value System and Marketing Lessons

Value	Meaning	Indian situation	Lesson for multinationa marketer
(A) Self-oriented val	ues		
(1) Materialism	Importance attached to materialistic acquisitions	Earlier generation would not approve; now accepted	Lifestyle is still not fully oriented towards materialistic possessions
(2) Immediate/delayed gratification	Do people live for today?	Earlier saving was a virtue; it still is, but no harm borrowing	Credit-driven sales are possible; 'here and now' messages will work
(3) Sexual mores	Perception towards sex	Sex is a 'closed door' affair	Sexually explicit messages are unlikely to be accepted
(4) Hard work/leisure	Is working harder (than is economically necessary) a virtue in itself?	No, having leisure and time for oneself is very important. But hard work precedes enjoyment of life	Role models who only work hard but are not able to enjoy fruits of their labour are not likely to be acceptable

So these are some of the, in a very quick short I will say about the value system and marketing lessons here. It is a cultural value basically, like self-oriented values, materialism, the meaning is importance attached to materialistic acquisitions. The Indian situation is earlier generation would not approve, now they are accepting. Lessons for multinational marketer is lifestyle is not fully oriented towards materialistic possession.

Value here is immediate or delayed gratification to people live for today. Our Indian situation is earlier savings was a virtue, but now people have started borrowing also, so the credit card given economy is coming up. Sexual mores, so this means the perception towards sex, and in India it is still a closed door affair. So sexually explicit messages may not be so much liked.

Hard work and leisure, so the meaning is whether working harder than is economically necessary a virtue in itself. So in Indian situation no, having leisure and time for oneself is equally important than hard work. So the role models who only work hard but do not able to, they are not able to enjoy the fruits of their labour, which means they cannot enjoy the money which they have earned. They are not our role models, rather the Raymond complete man is our role model.

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Value System and Marketing Lessons

Value	Meaning	Indian situation	Lesson for multinational marketer
(B) Other oriented vo	dues		
(5) Individualism/collectivism	Are individual activities and initiative valued more?	Indians are not team oriented; only one person can occupy top position	Comparative advertising will succeed, since only one brand can be the 'best'
(6) Romantic orientation	Is romance platonic or with sexual innuendoes?	Romance in India has nothing to do with sexual permissiveness	Message of intimacy is unlikely to help promote a product
(7) Adult/child role	Do children act as decider/influencers?	At least in upper income classes, children decide about products of direct consumption but with parental sanction	Marketer must sell the product to both, the child and the parents; child cannot independently decide for most categories
(8) Male/female dominance	Who decides: man or woman?	India is still a male-do minated society	Messages that show independence of women will appeal to only nicke segment; man still a provider, woman a nurturer
(9) Competition	Is cooperation or competition valued?		Competition oriented messages will succeed
(10) Age	Seniority or merit?	In India, competition is valued. In India, wisdom is synonymous with age	Messages when 'parents know better' will work

Other oriented value individualism versus collectivism, we can see here are the individual activities and initiatives valued more to say Indian situation is, Indians are not team oriented, only one person can occupy the top position, so the comparative advertisement works best, because we assume that at the top there should be only one person.

Romantic orientation, India has nothing to do with sexually permitted this thing. It is much of softer appeal or pretonic appeal. So the message for the multinational marketer is intimacy is unlikely to help to promote the product. Child role or adult child role here also, given the nature of the Indian customer, a lesson for multinational marketers, they must sell the product to both the child and the parents.

The child cannot independently decide on the categories. Male/female dominance wise, still a male-dominant society, so messages that show independence of woman will only be appealing to

the upper income society or very, very educated society. Competition situation, it is competition oriented messages are welcome in India, each wise messages where parents work more because we see that wisdom is synonymous to age.

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Value System and Marketing Lessons

Value	Meaning	Indian situation	Lesson for multinational marketer
(C) Environment-ori	ented values		
(11) Cleanliness	Hygiene consciousness	Rather limited	Products oriented towards maintaining hygiene will have only limited access
(12) Performance/statu s	Is performance more important or ascribed status?	In India, status is more important	Only well-established products will succeed
(13) Tradition/change	Is change welcome?	No, fundamentally Indians are traditionalist	Consumers are not crusaders. Icons work within the system
(14) Risk taking	Is risk taking a desirable trait?	Yes or no: calculated risk taking is acceptable	Some consumers accept 'entrepreneurial' role
(15) Control over	Nature governs me or can I tame it?	There is some 'supra authority'	Many things/events cannot be understood/conquered

Some environmental oriented issues are there, like cleanliness, that is a little limited, so the hygiene products have limited appeal till now, but it is increasing. Performance or status wise, well established products or well established brands, brands from Nestle, Hindustan Lever succeeds more. Tradition, consumers are not crusaders, so I can work within the system. Risk taking, they are not much risk takers and control over the nature. In India, it is still felt that everything cannot be understood.

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Cross-Cultural Marketing

- Cross-cultural problems definitely provide more challenges and opportunities to marketers in the 21st century although they might not be totally new in the marketing area.
- There are many unsolved problems or issues that need to be solved and discussed by the scholars and marketing professionals in theories and in practice as well.

So for the cross culture, we say that cross-cultural problems definitely provide more challenges and opportunities in the 21st century marketers, although they might not be totally new in the marketing area, but still to know the culture of different society becomes very, very important and although there could be some unsolved problems as well issues that need to be solved and discussed by this scholars, in terms of culture, how to be more culturally adaptive.

How to go for more of acculturation that is mixture of culture, how the McDonald's should work, how KFC should work, how the other multinational brands should work, though some adaptations have already been done like KFC is coming up with thali meal, a rice bowl, which tries to match with the eating habit of the Indians.

Similarly, McDonald's assume that Indians religiously do not like ham, so therefore, they have changed the hamburger with chicken stuffing and they make it Maharaja Mac for our country. So this kind of cultural adaptations are going on, but still how to make it even better so that is still an area of research by the marketers and the scholars, so let us see how things unfold. Good bye and we will meet in the next session