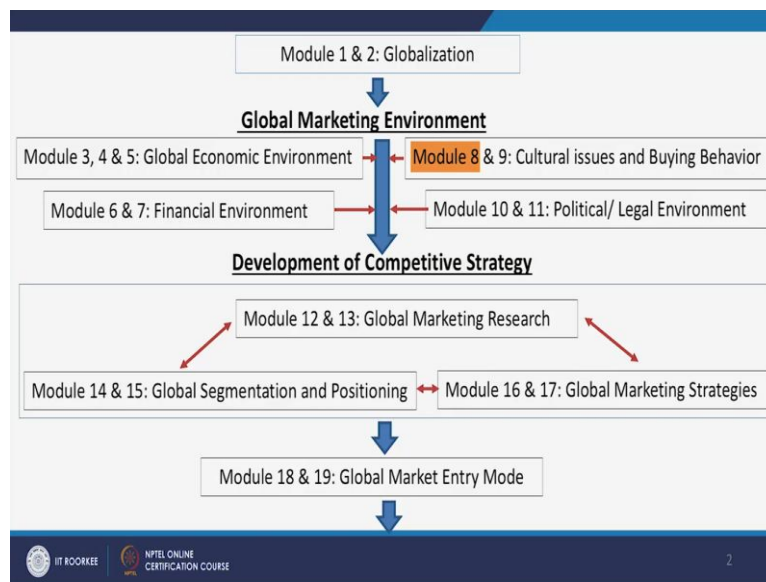


Global Marketing Management
Prof. Zillur Rahman
Department of Management Studies
Indian Institute of Technology - Roorkee

Module - 2
Lecture - 8
Cultural Issues and Buying Behavior - Part I

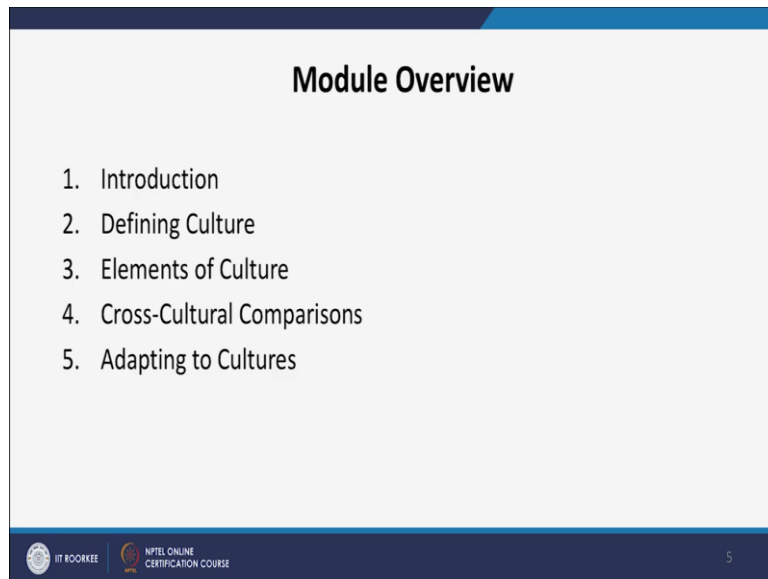
Welcome to this course on Global Marketing Management. And we are talking about Global Marketing Environment. We have talked about the global economic environment, financial environment. Now, let us move on to;

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Module 8 and 9 that deals with cultural issues and buying behavior. So, the overview, how we will proceed in this course, in this module is that;

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I will first give an introduction. Then we will define what is culture, the various elements of that make up culture, then we will talk about how to go about doing cross-cultural comparisons and adapting to various cultures. Now, buyer behavior and consumer needs are largely driven by cultural norms.

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Cultural backgrounds also influence consumer information processing and buying motivations. Conducting global business means the dealing with consumers, strategic partners, distributors and competitors which; and they come from different cultural mindset. So, a company maybe dealing with consumers in country A, B, C and they have strategic partners in country E, F, G. They have distributors from another set of countries and competitors from yet another countries.

And all the countries generally have different kind of culture. To be able to grasp the intricacies of foreign markets. It is important to get a deeper understanding of the cultural differences, so that, dealing with consumers, strategic partners, distributors and competitive from different cultures, it becomes easier. From a global marketing perspective, the cultural environment matters for 2 main reasons.

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The slide is titled "Introduction" and contains a bulleted list. The first bullet point states: "From a global marketing perspective, the cultural environment matters for two main reasons:". The second bullet point is a numbered list: "1. Major factor in shaping a company's global marketing mix program" and "2. Pinpoints market opportunities". Handwritten in red ink, a bracket groups these two points and points to the text "External Env" and "Internal envt".

Introduction

- From a global marketing perspective, the cultural environment matters for two main reasons:
 1. Major factor in shaping a company's global marketing mix program
 2. Pinpoints market opportunities

External Env Internal envt

7

So, these are 2 main reasons. First is the major factor in shaping a company's global marketing mix program. And the second is, it pinpoints market opportunities. These market opportunities, they lie in the external environment while the global marketing mix, it comes from, it is in the internal environment. So, this cultural environment, understanding this culture environment will help you in changing your global marketing mix.

That is easier because that is in internal environment and also spotting or pinpointing marketing opportunities. Because of the cultural differences these 2 things happen. Now, let us look at each one of them in detail.

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Introduction

1. **Cultural forces are a major factor in shaping a company's global marketing mix program.**
 - ✓ Cultural blunders can easily become a costly affair for MNCs. (embarrassment, lost customers, legal consequences, missed opportunities, huge costs of damage control, and tarnished brand or corporate reputations)
 - ✓ **Example:** When Pepsi expanded their market to China, they launched with the slogan, "Pepsi brings you back to life." What they didn't realize is that the phrase translated to "Pepsi brings your ancestors back from the grave." This may seem like a pretty funny mistake but to Pepsi this was a huge mistake, especially when you're trying to build a brand on a global level.

How cultural forces affect the company's global marketing mix program. Cultural blunders can easily become a costly affair for multinational companies. And that may lead to embarrassment to the company, lost consumers, legal consequences, missed opportunities, huge cost of damage control, tarnished brand or corporate reputations. For example, when Pepsi expanded their market to China, they launched with the slogan, Pepsi brings you back to life.

That was convert, translated into Chinese. What they did not realize is that the phrase translated to, Pepsi brings your ancestors back from the grave. This may seem like a pretty funny mistake, but to Pepsi this was a huge mistake, especially when you are trying to build a brand on a global level.

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2. **Cultural analysis often pinpoints market opportunities**
 - ✓ Companies that recognize cultural norms that their competitors have so far ignored often gain a competitive edge.
 - ✓ **Example :** Several Japanese diaper makers were able to steal market share away from P&G by selling diapers that were much thinner than the ones marketed by P&G, thereby better meeting the desires of Japanese mothers. (less space)

How does it, the culture analysis helps in pinpointing market opportunities? Companies that recognize cultural norms that their competitors have so far ignored often gain a competitive edge. For example, several Japanese diaper makers were able to steal market share away from Procter & Gamble by selling diapers that were much thinner than the ones marketed by Procter & Gamble, thereby better meeting the desires of consumer, Japanese mothers.

Because in Japan, people have less spaces to live. So, they need thinner diapers as compared to the other parts of the world, there were P&G markets thicker diapers. Look at the definition of culture.

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Definition of Culture

- **Geert Hofstede** defines culture as "the ¹collective programming of the mind which distinguishes the members of one group or category from those of another."
- Culture (in a business setting) is defined as being a learned, ¹shared, ²compelling, ³interrelated set of symbols whose meanings provide a set of orientations for members of society.
- Cultures may be defined by national borders, especially when countries are isolated by natural barriers.
- Cultures contain subcultures that have little in common with one another.

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This definition is given by Geert Hofstede and it is the collective bargaining, collective programming of the minds which distinguishes the member of 1 group or category from those of another. So, it is collective programming of minds. That is 1 component. But this programming should be so that, it distinguishes the member of 1 group or category from another group or category.

Culture in business setting is defined as being, as learned, 1; shared, 2; compelling, 3; and the fourth one is interrelated set of symbols whose meaning provide a set of orientations for the member of society. Culture may be defined by national borders especially when countries are isolated by natural barriers; for example, sea or mountains. Culture contains subculture that have little in common with one another. So, culture is made up of several different subcultures. The subcultures may have nothing in common. But as a whole it is a culture.

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What Is Culture?

- **Culture** is the fundamental determinant of a person's wants and behaviors acquired through socialization processes with family and other key institutions. *Schools, clubs etc, religious institutions*
- We acquire a set of values, perceptions, preferences, and behavior through our family and other key institutions.

So, culture is the fundamental determinant of a person's want and behavior acquired through socialization process with family and other key institutions. So, when people socialize with family and other key institutions like schools or clubs, etcetera, they get through the socialization process. And this affects the person's wants and behavior. So, we acquire a set of values, perceptions, preferences and behavior. Through our family and other keys institutions; the key institutions are mentioned above as schools and clubs and religious institutions.


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So, through family and other key institutions, a child growing up in United States is exposed to values such as achievement and success; activity, efficiency and practicality; progress; material comfort; individualis; freedom; external comfort; humanitarian; and youthfulness. A child growing up in India is exposed to such value, to values such as respect and care for



elders; honesty and integrity; hard work; achievement and success; humanitarianism; and compassion. So, now you see that a child grows in United States and he, he or she acquires these values, while a child growing in India acquires these values.

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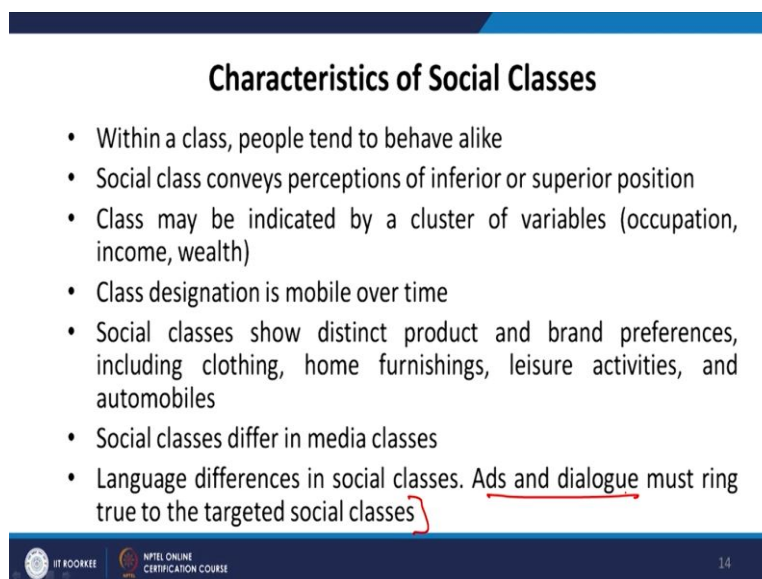
Cultural Factors

1. **Subculture:** Provides for more specific identification and socialization for their members.
 - ✓ **E.g.:** Nationalities, religions, racial groups, and geographic regions.
 - ✓ When subculture grow large and affluent enough, companies design specialized marketing programs to serve them;
Multicultural Marketing.
2. **Social Classes:** Relatively homogeneous and enduring divisions in the society, which are hierarchically ordered and whose members share similar values, interests, and behavior.

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Now, culture consists of subcultures which provide for more specific identification and socialization for their members. For example, nationalities, religions, racial groups and geographical regions. When subculture grow large and affluent enough, companies designed specialized marketing program to serve them, which is called as multicultural marketing. Social classes are relatively homogeneous and enduring divisions in the society, which are hierarchically ordered and whose member shares similar values, interest and behavior.

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Characteristics of Social Classes

- Within a class, people tend to behave alike
- Social class conveys perceptions of inferior or superior position
- Class may be indicated by a cluster of variables (occupation, income, wealth)
- Class designation is mobile over time
- Social classes show distinct product and brand preferences, including clothing, home furnishings, leisure activities, and automobiles
- Social classes differ in media classes
- Language differences in social classes. Ads and dialogue must ring true to the targeted social classes

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The characteristics of social classes are that within a social class, people tend to behave alike. Social class conveys perceptions of inferior or superior position. Class may be identified by cluster of variables. For example, occupation, income, wealth. But this class designation can change over a period of time. Social classes show distinct product and brand preferences including clothing, home furnishings, leisure activities and automobiles.

Social classes differ in their media consumption; language differences in social class; ads and dialogues must ring true to the targeted social classes. So, when you are targeting a social class, your ads and dialogue must be so that they are relevant to the target audience. Now, let us see how does culture affects consumption process? Within a given culture, consumption processes can include 4 stages.

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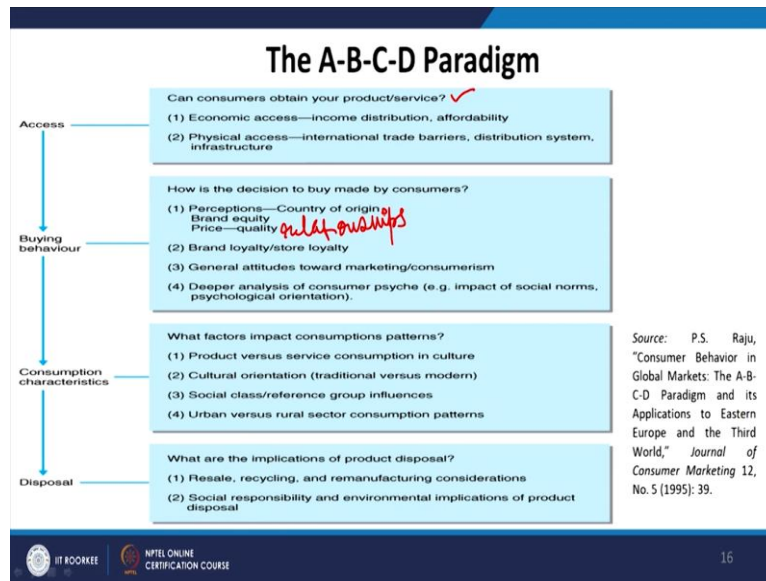
Culture and Consumption Process

- Within a given culture, consumption processes can include four stages:
 - ✓ Access
 - ✓ Buying behavior
 - ✓ Consumption characteristics
 - ✓ Disposal
- Each of these stages is heavily influenced by the culture in which the consumer thrives.

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First stage is access. Access to goods and services, buying behavior; consumption characteristics and disposal; each of this stage is heavily influenced by the culture in which the consumer thrives.

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And this is that A-B-C-D. That is access, buying behavior, consumption characteristics and disposal. This is that A-B-C-D paradigm. Access means, can consumers obtain your products and services. And it comes in 2 forms. 1 is economic access. That is, whether they have the income and whether it is affordable to them. Another access is, the access physical access infrastructure, international trade barriers and distribution systems.

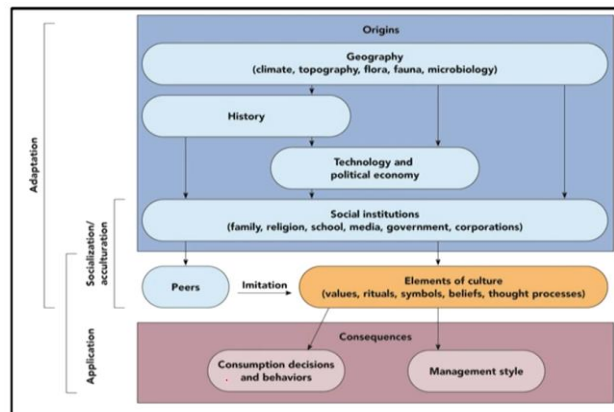
Buying behavior is, how the decision to buy is made by the consumer. That includes, perception, perceptions of country of origin, brand equity, price-quality relationships; whether they are loyal towards brand or they are loyal towards store; what is the general attitude towards marketing or consumerism; and deeper analysis of consumer psyche, that is, impact of social norms and psychological orientation.

Consumption characteristics include, what factors impact on consumption pattern. Product versus service consumption in culture, whether people consume more products or services in a culture. Cultural orientation, that is, it maybe traditional versus modern. Social class reference groups influences urban and rural sector consumption pattern. The D, that is disposal. What are the implications for of product disposal.

Whether people, whether consumers, they get into resale or they recycle or they remanufacture. Social responsibility and environmental implications of product disposal.

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Origin, elements and consequences of culture

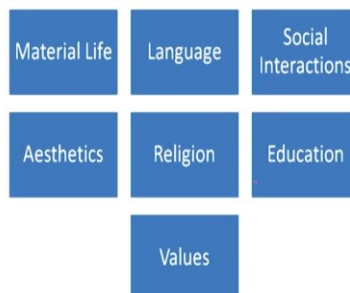


Now, look at the origin, elements and consequences of culture. It starts with geography, that is the climate, topography, flora, fauna, microbiology. And then, it goes on and influences the element of cultures. That is, the values, ritual beliefs, symbols and thought processes. This also affects peers. And peers, they affect the elements of culture and then it, the outcome of this is the consumption decision and behavior one and the management styles.

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Elements of Culture

- Culture consists of many interrelated components. Knowledge of a culture requires a deep understanding of its different parts.
- Following are the elements of culture:



Now, as you have seen in the last slide, this the culture is made up of material life, language, social interaction, aesthetics, religion, education and values. So, culture consists of many interrelated components. It is not 1 thing, but it is a, there are many interrelate components. Knowledge of a culture requires deep understanding of its different parts. And these are, these 7 are the different parts and in order to understand culture we have to understand these 7 things; material life, language, social interaction, aesthetics, religion, education and values.

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Elements of Culture

1. Material life:

- ✓ Technologies that are used to produce, distribute, and consume goods and services within society.
- ✓ Differences in the material environment partly explain differences in the level and type of demand for many consumption goods.
- ✓ To bridge material environment differences, marketers are often forced to adapt their product offerings.
- ✓ For instance, due to primitive road infrastructure in India, Coca-Cola uses large tricycles to distribute cases of Coke along narrow streets.

Now, what is material life? Technologies that are used to produce, distribute and consume goods and services within a society. Differences in the material environment partly explains differences in the level and type of demand for many consumption goods. To bridge material environment differences, marketers are often forced to adapt their product offerings. For instance, due to primitive road infrastructure in India, Coca-Cola used uses large tricycles to distribute cases of Coke along narrow street while in developed countries they have bigger trucks to supply to the various outlets. Another component of culture is language.

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Elements of Culture

2. Language:

- ✓ Language has two parts: the spoken and the silent language
- ✓ Two facets of language have a bearing on marketers:
 - (a) use of language as a communication tool within cultures and
 - (b) the huge diversity of languages across and often within national boundaries.
- ✓ Blunders of translation
Example: Toshiba once had a commercial jingle in China that went "Toshiba, Toshiba." Unfortunately, in Mandarin Chinese, Toshiba sounds a lot like "let's steal it" (*tou-chu-ba*)
- ✓ Back-translation can help avoid problems


And language has 2 parts; the spoken and unspoken, that is the silent language. 2 facets of language have the bearing on marketers. First is use of language as a communication tool within cultures. And the huge diversity of languages across and often within national boundaries. And that leads to blunder of translation. For example, Toshiba once had a commercial jingle in China that went Toshiba, Toshiba. Unfortunately, in Mandarin Chinese, Toshiba sounds a lot like, let us steal it, tou-chu-ba. Back-translation can help avoid these problems.


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Exhibit: Notice to Guests (An example of *Chinglish*)

1. Show the valid ID card as stated when registering with the Front Office.
2. Please don't make over or put up your guest or your relatives or your friends for the night without registering.
3. Please don't damage and take away, the furniture and equipment in the hotel or something borrowed from the Main Tower and change their usages. If happened, We will claim for damage and loss.
4. Please don't take the things which are subject to burning, explosion, rolling into the Main Tower. Please throw the cigrettend march into the ashtray when smoking in the room. Please don't smoking when lying in the bed.
5. Please don't commit illegal behaviours like gambling, smuggling, whoring, selling drugs. Please don't pick fruit and flower and vomit anywhere, Please don't take the animal and usall smell things into the hotel.
6. Keep quiet in the hotel, please don't fight and get truck and create a disturbance in the hotel. The security department will handle the person who damage Severely, the order, endanger others' rest, even body safety, according to public security clauses.
7. Guest are advised to deposit their valuables in the Front Office safe. In case of burglary or theft, the hotel haven't responsibility for it.
8. Please don't use dangerous electrical equipment except hairdrier, shaver.
9. The service hour of the hotel is 8:00 am to 10:00 pm the visitor should leave the hotel before 11:00 pm.
10. Please pay attention to and observe all regulations of the hotel. The hotel have access to depriving the quantity of staying of the people who transgress the rules above the neglect the dissuading.

Source: Hotel manual of a guesthouse in Shanghai

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Look at this. This is a notice to guests, an example of Chinese + English. Show the valid ID card as stated when registering with the front office. So, here the problem is where it is stated. Please do not make over or put up your guest or your relative or your friends for the night without registering. Please do not damage and take away the furniture and equipment in the hotel or something borrowed from the main tower and change the usage.

If happened, we will claim for damage and loss. The fourth is, please do not take the things which are subject to burning, explosion, rolling into the main tower. Please throw the cigarette and march into the ashtray while smoking in the room. Please do not smoking when lying in the bed. Please pay attention to and observe all regulations to the hotel. The hotel has access to depriving the quantity of staying of people who transgress the rules above the neglect the dissuading.

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Elements of Culture

3. Social Interaction:

- ✓ Social interplay refers to the manner in which members of society relate to one another.
- ✓ Nuclear family in most western countries
- ✓ Extended family in many developing countries
- ✓ Family units fulfill many roles, including economic and psychological support.
- ✓ **Example:** Sri Lankan banks promote savings programs that allow participants to build up savings to support their parents when they reach retirement. (unthinkable program in US)

Rules to Start Cracking the Guanxi Code in China

1. Be prepared to carry stacks of business cards, but don't waste time trying to swap one with every person in the room. Guanxi is about building trust, not a personal database.
2. Never pass up an invitation to play golf or other sports with the locals. Wine tastings and art auctions are good places to network.
3. When someone promises to "open doors" for you be suspicious. Increased transparency in China means that everybody has to jump through the same hoops.
4. Tap into your own alma mater's alumni associations in China. Even consider enrolling in local executive MBA programs.
5. In traditional guanxi, if someone does you a favor, one day you will have to repay (in *The Godfather* fashion). These days, however, people are more willing to give without expecting something in return.



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The third component of culture is a social interaction. So, social interplay refers to the manner in which members of a society relate to another. Nuclear families are there in most Western countries. Extended families are there in many developing countries. Family unit fulfil many roles including economic and psychological support. For example, Sri Lankan banks promote saving programs that allow participants to build up saving to supports their parents when they reach retirement, which is an unthinkable program in U.S.

Now, rules to start cracking the Guanaxi code in China. Be prepared to carry stacks of business card but do not waste time trying to swap one with every person in the room. Guanaxi is about building trust, not a personal database. Never pass up an invitation to play golf or other sports with the local. Wine tasting and art options are good places to network. When someone promises to open doors for you, be suspicious.

Increased transparency in China means that everybody has to jump through the same hoops. Tap into your own alma matter's alumni association in China. Even consider enrolling in local executive MBA programs. In traditional Guanaxi, if someone does you a favor 1 day, you will have to repay in the godfather fashion. So, Godfather is a novel by Mario Puzo. These days, however people are more willing to give without expecting something in return.

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Elements of Culture

4. Aesthetics:

- ✓ Ideas and perceptions that a culture upholds in terms of beauty and good taste.
- ✓ Plays a major role in designing the visuals of the product. (packaging, logo, etc.)

5. Religion:

- ✓ Community's set of beliefs relating to a reality that cannot be verified empirically.
- ✓ Religious taboos often force companies to adapt their marketing mix program. For instance Hush Puppies, US based shoe brand, lost market share in Malaysia when consumers there discovered that its shoes contained pigskin.



Another element of culture is aesthetics. Ideas and perception that a culture upholds in terms of beauty and good taste. So, what is of beauty and what is in good taste, that is affected by, that is determined by the cultural you live in and it plays a major role in designing the visuals of the product, packaging, logo, etcetera. Religion: community's set of beliefs relating to a reality that cannot be verified empirically.

Religious taboos often force companies to adapt their marketing mix programs. For instance, Hush Puppies, U.S. based shoe brand lost market share in Malaysia when consumers, they discovered that the, that its shoes contain pig skin.

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Elements of Culture

6. Education:

- ✓ One of the major vehicles to channel from one generation to the next.
- ✓ Two facets of education that matter to international marketers are the level and quality of education.
- ✓ In countries with low literacy levels, marketers need to exercise caution in matters such as product labeling, print ads, and survey research.
- ✓ One baby food company attributed its poor sales in Africa to the product label that was used. The label's picture of a baby was mistakenly thought by the local people to mean that the jars contained ground-up babies.

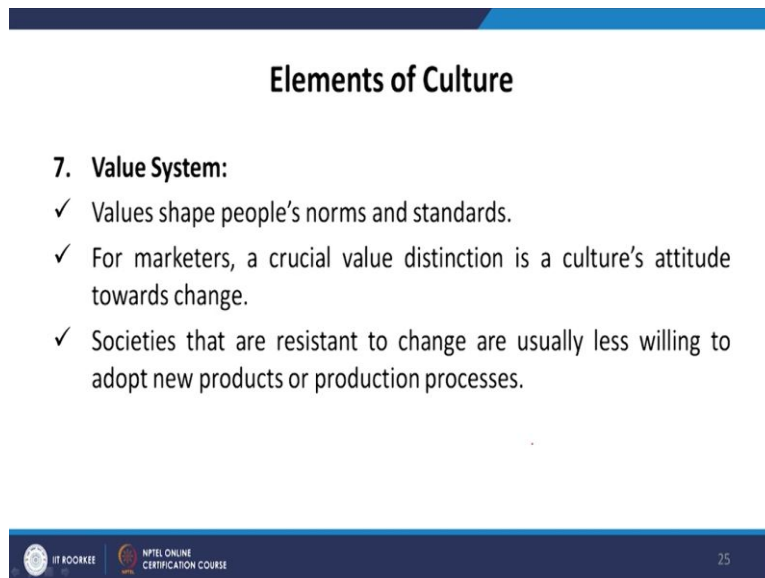


The sixth element that make up culture is education one, which is one of the major vehicles 2 channel from 1 generation to the next. 2 facets of education that matters to international

marketers are the level and quality of education. In countries with low literacy levels, marketers need to exercise caution in matters such as product labelling, print ads and survey research. Because people are less literate, so it becomes difficult for them to read what is there on the, or to make sense of what is there written there on the product label, product labels, what are what is written there on the print ads and what kind of questions do you ask in the survey research.

1 baby food company attributed its poor sales in Africa, to the product label that was used. The label's picture of a baby was mistakenly thought by the local people to mean that the jars contained grounded-up-babies. Another element of culture is the value system. Values shape peoples' norms and standards.

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Elements of Culture

7. Value System:

- ✓ Values shape people's norms and standards.
- ✓ For marketers, a crucial value distinction is a culture's attitude towards change.
- ✓ Societies that are resistant to change are usually less willing to adopt new products or production processes.

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For marketers a crucial value distinction is a culture's attitude towards change. Societies that are resistance to change are usually less willing to adopt new products or production processes. Now, after having understood talked about the definition of cultures and the element that make up the culture, let us see how to go about comparing cultures across various countries. So, culture differs from one another, but usually they also share certain aspects.

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Cross-Cultural Comparisons

- Cultures differ from one another, but usually share certain aspects.
- Cultural classifications allow marketing manager to see how much overlap is possible between the marketing programs to be implemented in different markets. *diff | similarities*
- Furthermore, most cultural traits tend to be regional instead of national.
- For example, Walloons in French-speaking Belgium have much more in common, culture-wise, with the French than with the Flemish of northern Belgium.

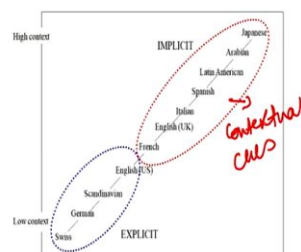
Cultural classifications of marketing managers to see how much overlap is possible between marketing programs to be implemented in different market. So, we are talking about understanding the differences and the similarities across the cultures. So, most cultural traits tend to be regional instead of national. For example, Walloons in French-speaking Belgium have much more in common, culture-wise with the French, then with the Flemish of northern Belgium.

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Cross-Cultural Comparisons

High- versus Low-Context Cultures

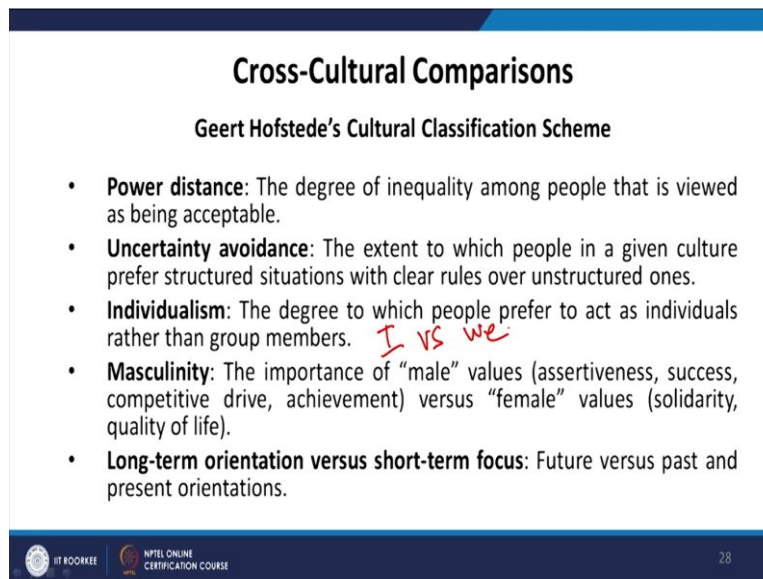
- Recent social psychology research reveals key cultural differences between East (high) and West (low) context cultures in how people perceive reality and reasoning (see below).
- **High-context cultures:** Interpretation of messages rests on contextual cues; e.g., China, Korea, Japan.
- **Low-context cultures:** Put the most emphasis on written or spoken words; e.g., USA, Scandinavia, Germany.



This is how we compare culture; high versus low-context culture. Recent social psychology research reveals that cultural differences between East, that is high; and westwards, that is low. Context culture in how people perceive reality and reasoning. So, high culture high-context culture, that is the interpretation of messages rest on contextual cues such as China, Japan and Korea.

So, these are high-context culture, where the interpretation of message rest on contextual cues. For example, in countries like China, Korea and Japan. In low-context culture, they put most emphasis on written or spoken words and not on contextual cultures as happens in high-context cultures. For example, low-context culture countries are U.S., Scandinavia in Germany. So, these are low-context cultures where they put more emphasis on spoken and written words, while in these countries they give more emphasis to contextual cues and less emphasis on spoken and written words.

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Cross-Cultural Comparisons

Geert Hofstede's Cultural Classification Scheme

- **Power distance:** The degree of inequality among people that is viewed as being acceptable.
- **Uncertainty avoidance:** The extent to which people in a given culture prefer structured situations with clear rules over unstructured ones.
- **Individualism:** The degree to which people prefer to act as individuals rather than group members. *I vs we*
- **Masculinity:** The importance of "male" values (assertiveness, success, competitive drive, achievement) versus "female" values (solidarity, quality of life).
- **Long-term orientation versus short-term focus:** Future versus past and present orientations.

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Now, this Geert Hofstede's cultural classification scheme. So, he gave a classification scheme based on culture. And these are the 5 dimensions of this classification scheme. 1 is power distance, another is uncertainty avoidance, the third one is individualism, masculinity and long-term orientation versus short-term focus. So, the power distance means, the degree of inequality among people that is viewed as being acceptable.

So, in some culture the higher degree of inequality is also acceptable while in some other cultures lower degree of inequality is acceptable. Uncertainty avoidance: the extent to which people in a given culture prefer a structured situation with clear rules over unstructured ones with unclear rules. Individualism is the third dimension of this classification scheme. And it means the degree to which people prefer to act as individual rather than a group member.

So, it is I versus we. Masculinity: the importance of male values. Male values like assertiveness, success, competitive drive and achievement versus female values like solidarity and quality of life. The fifth dimension is long-term orientation versus short-term

focus, future versus past and present orientation. So, long-term is more, future oriented and short-term is present oriented. So, these are the findings of a project globe.

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Cross-Cultural Comparisons

Project GLOBE (Global Leadership and Organizational Behavior Effectiveness)

- Project GLOBE is a large-scale ongoing research project that explores cultural values and their impact on organizational leadership in **62 countries**.
- The first three dimensions (uncertainty avoidance, power distance, and **collectivism I**) are the same as Hofstede's constructs.
- The remaining six cultural dimensions are: **collectivism II**, gender egalitarianism, assertiveness, future orientation, performance orientation, and humane orientation.



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That is, global leadership and organizational behavior effectiveness. This project globe is a large-scale ongoing research project that explores cultural values and their impact on organizational leadership in 62 countries. The first 3 dimensions, that is the uncertainty avoidance, power distance and collectivism are the same as Hofstede's constructs. The remaining 6 cultural dimensions are; So, in the first 3 dimension there is collectivism, 1. Here, in this project, the dimension is collectivism 2; gender egalitarianism, assertiveness, future orientation, performance orientation and human orientation.

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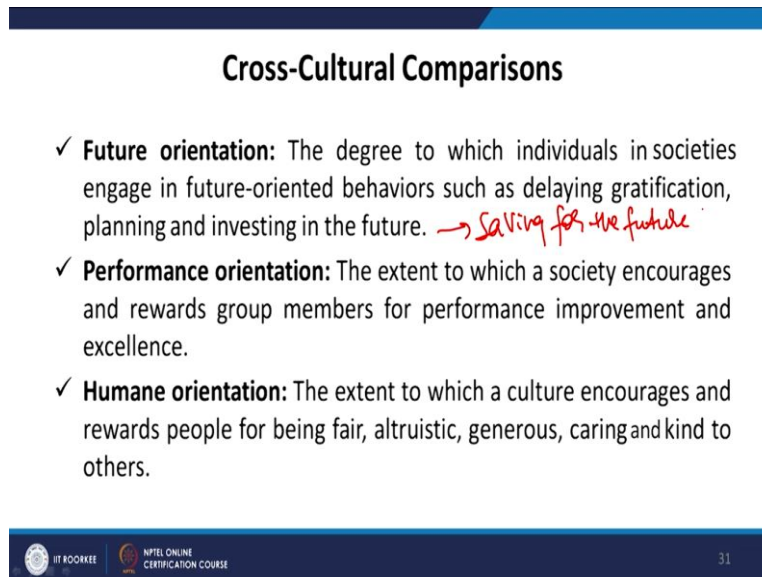
Cross-Cultural Comparisons

- ✓ **Collectivism II:** The degree to which individuals express pride, loyalty, and cohesiveness in their organizations or families.
- ✓ **Gender egalitarianism:** The degree to which an organization or society minimizes gender role differences and gender discrimination.
- ✓ **Assertiveness:** The extent to which individuals are assertive, confrontational, and aggressive in social relationships.

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Collectiveness 2, means the degree to which individuals express pride, loyalty and cohesiveness in their organizations or families. Gender egalitarianism means the degree to which an organization or society minimizes gender role differences and gender discrimination. Assertiveness means the extent to which individuals are assertive, confrontational and aggressive in social relationships.

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Cross-Cultural Comparisons

- ✓ **Future orientation:** The degree to which individuals in societies engage in future-oriented behaviors such as delaying gratification, planning and investing in the future. → *Saving for the future*
- ✓ **Performance orientation:** The extent to which a society encourages and rewards group members for performance improvement and excellence.
- ✓ **Humane orientation:** The extent to which a culture encourages and rewards people for being fair, altruistic, generous, caring and kind to others.

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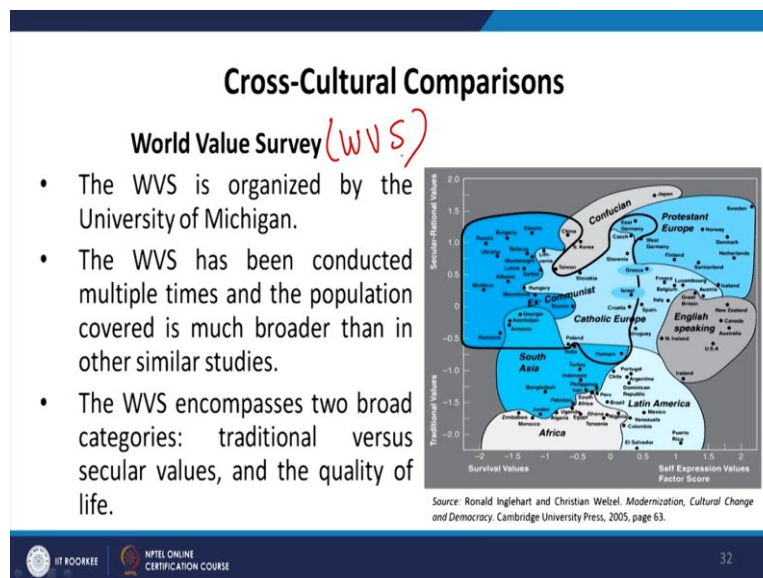
Future orientation means the degree to which individuals in societies engage in future-oriented behavior such as delaying gratification, planning and investment in the future. For examples, we Indian, we keep on saving for the future. Performance orientation means the extent to which a society engages encourages and reward group members for performance improvement and excellence.

And human orientation means the extent to which a culture encourages and reward people for being fair, altruistic, generous, caring towards, caring and kind towards others. So, these are the 6 dimensions of project globe. That is, global leadership and organizational behavior effectiveness. While this Geert Hofstede's culture classification schemes, we have these 5 dimensions.

Now, in both these, both the situations there are certain dimensions which are common, but there are certain dimension which are not, which are uncommon. So, while in Geert Hofstede's cultural classification scheme, we have power distance, uncertainty avoidance, individualism, masculinity, long-term orientation versus short-term orientation. And in

project globe, we have the first 3 dimensions as similar, while the rest of the 6 dimensions, they are different.

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So, this world value survey is organized; there is yet another comparison that is called as world values survey. This is organized by University of Michigan. The world value survey has been conducted multiple times and the population covered is much broader than in other similar studies. The world value survey encompasses 2 broad categories. 1 is traditional vs secular values and another is the quality of life. This is how we can compare various cultures. So, we have talked about 3 types of schemes that can be used to compare cultures. Now, let us look at how to go about adapting to the various cultures.

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Adapting to Cultures

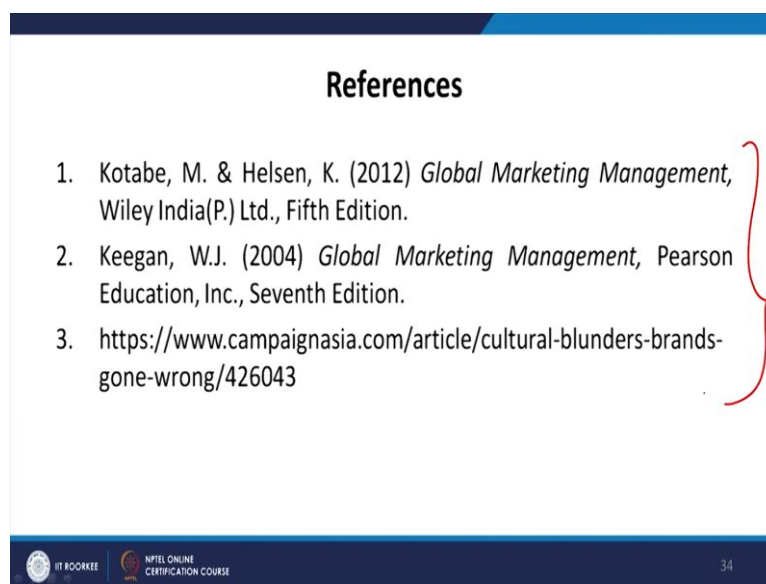
- Global marketers need to become sensitive to cultural biases that influence their thinking, behavior, and decision making.
- Cultural adaptation is absolutely necessary to make marketing decisions in line with the host culture.
- Such adaptation is hampered by the tendency to use:
 - ✓ **Self-reference criterion (SRC)**: Refers to the people's unconscious tendency to resort to their own cultural experience and value systems to interpret a given business situation.
 - ✓ **Ethnocentrism** refers to the feeling of one's own cultural superiority.

So, global marketers need to become sensitive to cultural biases that influence their thinking behavior and decision making. Cultural adaptation is absolutely necessary to make marketing decisions in line with the host culture. And such adaptation is hampered by the tendency to use. 1 is self-reference criteria. That is also in short form is called as SRC. It refers to people's unconscious tendency to resort to their own culture experience and value system to interpret a given business situation.

And another is ethnocentrism which refers to the feeling of one's own cultural superiority. Now, you see that in first is self-reference criteria, because I have been brought up in certain culture, so I keep on thinking, my thinking is hampered by the culture I with or is affected by the culture in which I am brought up. And I will interpret any given situation depending upon the culture I come from.

That is self-reference criteria. On top of them, on top of that, our decision making is also hampered by ethnocentrism. That is even more dangerous because I feel that my culture is superior to that of other cultures. And to learn more about the effect of culture on buying behavior, you can refer to these references.

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References

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2. Keegan, W.J. (2004) *Global Marketing Management*, Pearson Education, Inc., Seventh Edition.
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Thank you.