

## Culture & Consumer Behavior



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## Learning Outcomes

- LO<sup>1</sup>** Understand how culture provides the true meaning of objects and activities.
- LO<sup>2</sup>** Use the key dimensions of core societal values to apply the concept of cultural distance.
- LO<sup>3</sup>** Define acculturation and enculturation.
- LO<sup>4</sup>** List fundamental elements of verbal and nonverbal communication.
- LO<sup>5</sup>** Discuss current emerging consumer markets and scan for opportunities.

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**LO<sup>1</sup>**

Understand how culture provides the true meaning of objects and activities.

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## **LO<sup>1</sup>** What is Culture?

Consumer culture—commonly held societal beliefs that define what is socially gratifying.

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## **LO<sup>1</sup>** Culture, Meaning and Value

Behavior	Meaning in United States	Alternate Meaning
Consumer age 14–18 consuming beer or wine in a restaurant	Unacceptable or even illegal in most areas.	Wine is part of a nice family meal in other areas, including much of western Europe.
People gathering to eat barbecue pork ribs	This menu is part of a pleasant social event.	Pork is not an acceptable food item among Hebrews and Muslims.
Supervisors and employees socializing together	Supervisors and coworkers can be friendly with each other.	Employees and supervisors should keep their distance away from work. An employee who acts too casually with a "senior" could incur a sanction.
Kissing	Purely a family or romantic activity.	In many nations, kissing is common when making a new acquaintance or greeting a friend.

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## LO<sup>1</sup> Culture, Meaning, and Value



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Gives meanings to objects

Gives meanings to activities

Facilitates communication

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## LO<sup>1</sup> Cultural Norms and Sanctions

### Cultural Norm

Rule that specifies the appropriate behavior in a given situation within a specific culture.

**Cultural Sanction**  
Penalty associated with performing a non-gratifying or culturally inconsistent behavior.

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## LO<sup>1</sup> Societal Role Expectations Vary

Role	Role-Expectations USA	Role-Expectations Outside of USA
Service Employee	Treat customers promptly, courteously, and as a priority	Russia: Customers not treated quite so promptly or courteously—the worker is prioritized over the customer
College Student	Attentive in class, do assigned work on time, buy the assigned text, and do not eat in class	Europe: Talking with classmates more accepted, the syllabus is more a suggestion, and eating in class is common
Motorcycle Driver	Dress down and generally follow the same driving rules as automobile drivers	Italy: Dressed up (often going to the office) and generally ignore the rules for automobiles—particularly traffic lanes

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## LO<sup>2</sup>

Use the key dimensions of core societal values to apply the concept of cultural distance.

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## LO<sup>2</sup> Dimensions of National Cultural Values

Individualism

Masculinity

Power Distance

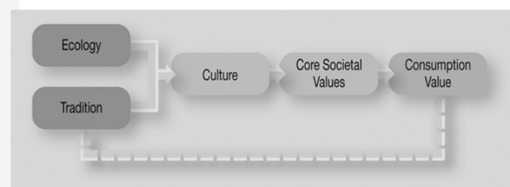
Uncertainty Avoidance

Long-Term Orientation

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## LO<sup>2</sup> Inputs and Outputs of Culture



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## LO<sup>2</sup> CSV Scoreboard

	Power Distance	Individualism	Masculinity	Uncertainty Avoidance	Long-Term Orientation
United States	40	91	62	46	29
Australia	36	90	61	51	31
United Kingdom	35	89	66	35	25
Brazil	69	38	49	76	65
Russia	93	39	36	95	55*
India	77	48	56	40	61
Pakistan	55	14	50	70	0
China *	80	20	66	30	118

\*LTD score for Russia is not available. This value represents the average LTD score for these countries. Averages: PDI, 58; IDV, 46; MAS, 51; UAI, 60; LTO, 45.

<http://geert-hofstede.com/countries.html>

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## LO<sup>2</sup> Cultural Distance

Represents how disparate one nation is from another in terms of their CSVs.

$$CD = \sqrt{\sum_{i=1}^5 (TCSV_i - BCSV_i)^2}$$

Where,

- $CD$  = Cultural Distance
- $TCSV$  = Target Country Value Score on Dimension  $i$
- $BCSV$  = Baseline Country Value Score on Dimension  $i$

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## LO<sup>2</sup> CSV Difference Scores Relative to American Consumers

	Power Distance	Individualism	Masculinity	Uncertainty Avoidance	Long-Term Orientation	Total Distance Score
Australia	-4	-1	-1	5	2	6.9
United Kingdom	-5	-2	4	-11	-4	13.5
Brazil	29	-53	-13	30	36	77.6
Russia	53	-52	-26	49	26	96.3
India	37	-43	-6	-6	32	65.7
Pakistan	15	-77	-12	24	-29	87.8
China	40	-71	4	-6	89	121.8

Lower CD scores implies greater similarities.

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## LO<sup>3</sup>

Define acculturation and enculturation.

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## LO<sup>3</sup> How Is Culture Learned?

Socialization

Enculturation

Acculturation



**Consumer ethnocentrism**—belief among consumers that their ethnic group and native products are superior to other ethnic groups and their products.

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## LO<sup>3</sup> Factors Associated with Faster Acculturation

- Strong Ethnic Identification
- Relatively Old
- Highly Ethnocentric
- Male



- Low Ethnic Identification
- Relatively Young
- Low Ethnocentrism
- Female



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### LO<sup>3</sup> Internet Censorship

Some governments censor the Internet content from its citizens.

In China, the search engine Baidu is growing in popularity because of its acceptance of censorship without disclaimers.

Governments that censor or demand access to consumers' cell phone messages interfere with privacy.

### LO<sup>3</sup> Modeling and Shaping

**Shaping**  
Consumers' behaviors slowly adapt to a culture through a series of rewards and sanctions.

**Modeling**  
A process of imitating others' behavior.

### LO<sup>3</sup> Modeling and the Quartet

Institution	Behavior	Description
School	Studying	Lower classmen follow the study habits of the upper classmen. If Thursday is party-night, chances are you don't study then.
Family	Table manners	Children observe parents to learn how to behave at the table.
Church	Prayer	People observe others in the church to learn the appropriate way to behave when in a church.
Media	Language	Consumers learn slang by repeating terms learned through television, movies, music, and Internet media.

### LO<sup>4</sup>

List fundamental elements of verbal and nonverbal communication.

### LO<sup>4</sup> Verbal and Nonverbal Communication

**Verbal Communication**  
The transfer of information through either the literal spoken or written word.

**Nonverbal Communication**  
Communication not involving the literal spoken or written word.

### LO<sup>4</sup> Problems With Verbal Communication

Communication	Situation	Intended Communication	Problem
"Yo vi la Papa!"	Spanish-language slogan on t-shirts prior to Pope's visit to Mexico	"I saw the Pope!"	"La Papa" is "the potato." "El" (for all Papa is the Pope. So, the t-shirts said "I saw the potato."
"Boy, am I stuffed!"	English-language restaurant slogan spoken by middle-aged man.	"Boy, am I full!" (meaning had a lot to eat)	Slogan works fine in the United States; however, in Australia, "stuffed" means pregnant. So, slogan depicts middle-aged, slightly overweight man saying "Boy, am I pregnant!"
"Strawberry Crap Dessert"	English placed on pre-prepared, refrigerated pancakes by Japanese firm intending product for Chinese market.	"Strawberry crêpe"	English can convey a quality image to products in much of Asia even if most consumers can't read the words. Here, the phonics are probably just a little off.
"Bite the waxed tadpole"	Chinese label for Coca-Cola	"Coca-Cola"	Coke tried to find the best phonetic way to produce something sounding like "Coca-Cola." In some Chinese dialects, but not all, strange interpretations like this resulted.
"Mist-stick"	Clairo's name for a new hair care product introduced in Germany	Literally a Mist Stick that helped to tame unmanageable hair.	The English "mist stick" phonetically sounds like "miststueck" which is at best an impolite German word to use as a name for a women's product!

LO<sup>4</sup>

## Translational and Metric Equivalence

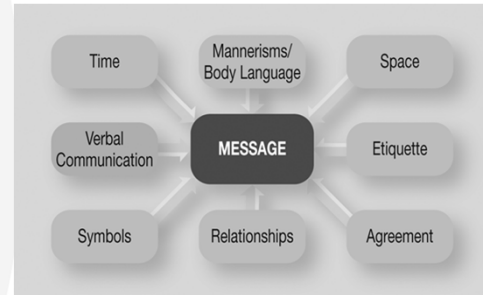
- **Translational equivalence** – exists when two phrases share the same precise meaning in two different cultures.
- **Metric equivalence** – the state in which consumers are shown to use numbers to represent quantities the same way across cultures.

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LO<sup>4</sup>

## Nonverbal Communication Affects the Message Comprehended



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LO<sup>5</sup>

Discuss current emerging consumer markets and scan for opportunities.

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## Country of Origin Effects: Positive

- Many consumers may take into consideration the country of origin of a product.
- Country-of-origin commonly:
  - France = wine, fashion, perfume
  - Italy = pasta, designer clothing, furniture, shoes, and sports cars
  - Japan = cameras and consumer electronics
  - Germany = cars, tools, and machinery

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## Country of Origin Effects: Negative

- Some consumers have animosity toward a country
  - People's Republic of China has some animosity to Japan
  - Jewish consumers avoid German products
  - New Zealand and Australian consumers boycott French products

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## Why Do Most Global Airlines Stress Pampering Business Travelers in Their Ads?



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## Upscale International Business Travelers Share Much in Common.



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## LO<sup>5</sup> Emerging Cultures

### BRIC Markets

Brazil, Russia, India, and China

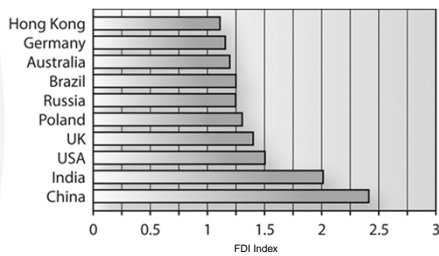
### Chindia

Refers to the combined market and business potential of China and India.

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## LO<sup>5</sup> Attractive Consumer Markets for Foreign Direct Investment (FDI)



Source: Sheth, J.N. (2007), "Rise of China and its Impact on World Marketing" presented at the 2007 Academy of Marketing Science World Marketing Congress, Verona, Italy, July 13.

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## LO<sup>5</sup> Glocalization

Represents the idea that marketing strategy may be global but the implementation of that strategy at the marketing tactics level should be local.

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## Discussion Questions

- If your university is considering a satellite business program in China:
  - How would they need to adapt the program?
  - What would prompt these changes?

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