

# SUCCESS SERIES



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## MARKETING TO THE WORLD

Management development is a priority for most organizations. This course is targeted for supervisors, managers, and leaders who need practical skills so they can manage people most effectively.

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## **Introduction/Characteristics of Culture**

### **OH, THAT SINKING FEELING**

It's a jungle out there. Bad enough that you had no idea what that guy from New York meant when he asked, "Ya wanagotadacidy?." Or, that you completely misunderstood the folks from Georgia when they left the meeting saying, "Ya'll cum agin, na ya eer." Then who knows what those California people had on their minds when they enthusiastically responded that the idea was, "Sick."

Now, you're winging your way to New Deli with the story of Ed's debacle fresh in your mind. How could he have known that maintaining eye contact with an Indian during a business meeting was seen as an American attempt to control the negotiations and impose a prearranged agenda by direct physical confrontation. Poor Ed. He didn't know to look away as a sign of respect? After all, Americans show respect by looking a person squarely in the eye.

From body language to native language, from breakfast cheese to corn flakes and pigs, cross-cultural diversity abounds. Each nuance, each glaring difference a potential obstacle to effective communication. The risks range from a local embarrassment or inconvenience, to a global marketing disaster.

Like the Boy Scouts, it's best to be prepared.

### **UNWITTINGLY UNDER THE INFLUENCE**

Nobody wants to be embarrassed. Nobody looks for the chance to scuttle the big deal by insulting the host in their own country. But we are, and we do. Usually we get ourselves into these awkward situations because of our grossly inadequate understanding of the culture in which we find ourselves.

What we really seek to do as marketers is to fulfill the wants and needs of our customers. We want to understand our potential audience in terms of what they purchase, why they buy what they buy, how much they spend, and when and where they shop.

The challenge confronts us when we step out of our own culture -- of which we usually have little recognition -- and walk into a foreign environment. The role of culture comes into stark focus when we realize that every one of the typical research points -- the descriptors of who buys what where, when, how often and why -- is influenced by, and varies according to culture. Every one!

### **A CONTINUOUS THREAD, WOVEN IN TIME**

The development of the subtleties woven into each culture evolve over time. Not just a few years, but rather hundreds, sometime thousands of years.

In many Asian nations great significance is given to minimizing differences, and for preserving a sense of harmony. They seek to foster group loyalty and place value on

conformity. These cultural values evolved over many generations. Derived from ancient times when nations faced insufficient natural resources but had an abundance of human resource, many Asian cultures nurtured a society that rewarded harmony and conformity. The need for order and structure was a necessity for survival. Collectivism was a natural cultural development.

Today, when Asians travel abroad, we see these cultural traits evidenced. They often dress alike, travel in large groups, move as a unit, and follow directions. It is in their nature. It is part of who they are culturally.

### **VIVA LA DIFFERENCE!**

On the other hand, there are those abrasive, independent, non-conforming Americans. They maximize the differences, question the directions, confront the issues, and take pride in the rugged individual who stands on their own two feet.

For the American, these values are rooted in how their nation grew. It was out of a war for independence that the nation was given birth. Men and woman determined to forge a new sovereign nation, independent and self governing threw off oppressive rules and regulation, and in exchange established their own.

When, for these early Americans, one's closest neighbors may be many miles, perhaps hundreds of miles, away there was no choice but to stand on your own. To be tamed and conquered, the rugged frontier life required self-directed, strong willed, individualistic thinkers. This hardy and robust mind-set fostered respect for those who went their own way and made their mark in life.

### **LIKE ALICE THROUGH THE LOOKING GLASS**

No matter where you go in the world you find these threads into the past. These are cultural threads that blend together to weave the fabric of the tapestry of the world as it is now, in that place, understood unconsciously by its members.

What one culture values as a strength is to another a liability. Vastly different philosophies of life yield vastly different life experiences. To each they are practical, reasonable, and understandable. The impact of history and geography serve to sculpt the culture of a nation.

It is these differences, tethered to a nation's past, which we encounter when we step into another's culture.

### **SHE WAS LIKE FISH OUT OF WATER**

Bogota was not as intimidating as Stephanie had expected. While the inordinate number of men in uniforms with guns was a bit overwhelming, she made it through customs, met her contact and arrived at the hotel without incident and plenty of time to go over the agenda for the meeting that afternoon. Now she waited. Hot, irritated, and anxious.

The meeting was set for 1:30 pm and it was now close to 2:30 pm. She had, after all, flown a very long way for this important engagement. Finally the Colombians arrived with lots of talk and enthusiasm. While there was no apology for their lateness, they were in good spirits and Stephanie was eager to get down to work. She had prepared a tight agenda, with many critical points to be discussed before they would conclude at 5:00pm. Her next meeting, set at 7:00pm was also critical and decisions in this meeting would effect the transactions latter.

It was a disaster. For Stephanie the time spent in perfunctory talk of weather, weddings, a local festival, friends and family stole valuable time from the otherwise tight agenda. Discussions meandered far afield often never directly addressing the key issues at hand and often going around and around on a subject. It seemed that time was like a rubber band stretched to its limits with no thought of a deadline. Despite her misgivings she put on a good front and pleasantly persevered.

Stephanie left the meeting bewildered, frustrated, and angry. How could these business people be so ignorant, unprofessional and ill-mannered?

For the Colombians it was a different story.

### **THEY WERE LIKE FISH IN THE OCEAN**

For the Colombians the luncheon meeting had been a great success, ending with a final round of drinks and a song. Then off to the meeting with the American representative. Of course she was waiting. The Americans are always waiting, ready to go. Despite the fact that she seemed a bit impatient the meeting was terrific. As expected she was very organized and had list of matters to discuss. It was helpful but it was good to address the other related matters too.

It was too bad she was not able to join them for dinner later, but no problem they could finish with business tomorrow. All of the business that needed to be discuss was discussed and the relationship seemed like it had the makings of a long term partnership. Papers would be drawn up and the agreements signed in the next few days.

For the American it was a nightmare meeting. Lots of talk about unrelated issues; nothing really settled except that they would all get together again in the next few days.

For the Colombians it was the beginning of a great new relationship.

What had happened?

### **FROM PYGMIES TO PARISIANS, SPEARS TO SILICON**

From the tribal people of the highlands of Papua New Guinea or Africa, to the high tech worlds of Asia or Europe; From the burgeoning cities of South Africa, to the vast expanses of the Canadian prairies, cultures contain ten distinctive characteristics.

In his "Handbook of Cross-Cultural Marketing" Paul Herbig clearly outlines these important elements of culture. Let's take a look...

## **COMMON CHARACTERISTICS OF CULTURE**

1. **CULTURE IS FUNCTIONAL** - In every society, the culture of the society has a functional purpose that provides guidelines for behavior that are crucial for the survival of the group.
2. **CULTURE IS A SOCIAL PHENOMENA** - Culture arises out of human interaction, is a human creation, and is unique to human society.
3. **CULTURE PROVIDES PERSPECTIVE** - Culture defines and prescribes acceptable behaviors.
4. **CULTURE IS LEARNED** - Culture is not inherited genetically but is rather the result of acquired behavior learned from other members of the society
5. **ARBITRARY** - Cultural practices have a certain arbitrariness since behaviors acceptable in one culture are not acceptable in other cultures.

## **COMMON CHARACTERISTICS OF CULTURE**

6. **CULTURE IS VALUE LADEN** - Culture provides values and tells people what is expected of them. It enforces and reinforces what is good and bad according to the society.
7. **CULTURE FACILITATES COMMUNICATIONS** - Both verbal and nonverbal communication flows between individuals, groups and organizations within a common set of perceptions established by the culture.
8. **CULTURE IS ADAPTIVE AND DYNAMIC** - Culture is constantly changing to adapt to new situations and new sources of knowledge; it changes as society changes and evolves.
9. **CULTURE IS LONG TERM** - Contemporary cultures have resulted from thousands of years of accumulated experience and knowledge.
10. **CULTURE SATISFIES NEEDS** - Culture exists to satisfy the needs of the people within a society. Culture takes on new traits and discards the old and those that are useless to society's needs. However, core values remain the same.

## **POTENTIAL PITFALLS ABOUND**

Understanding the unique perceptions, values and needs of a culture other than one's own is perhaps the most difficult task of conducting business in an international setting. Without at least a rudimentary grasp of the foreign culture the obstacles are formidable.

The international marketer must appreciate that when a product satisfies the diverse needs or wants of the firm's customers, it does so in the context of that particular culture. The same product must not be expected to meet the same set of needs in a foreign culture. Why? Because there are now a complete new and complex set of cultural norms and mores which shape the audience perception of the product and its usefulness.

These cross-cultural differences include language, nonverbal communication, religion, time, space perception, color, numbers, materialism, manners and customs, aesthetics, status consciousness and food. There are, of course, many other subtleties. These are but a few that commonly challenge the international marketer.

Let's take a look at cross-cultural differences in the areas of language, nonverbal communication, time and food.

### **LANGUAGE - Oh The Beauty Of Words!**

The challenges of cultural sensitivity abound. And, the war stories are classic. Even the giants of commerce are not immune to stumbling over the nuances of language.

In the 1920's Coca-Cola attempted to enter the Chinese market. This first entry effort hit a major language obstacle with the phonetic translation of the product name. Coca-Cola carefully constructed a set of Chinese characters that translated "Bite the wax tadpole." This was hardly what the company executives had planned for.

After regrouping the English translation means, "Happiness in the mouth" or "Let the mouth rejoice!"

Of course there is the often told story of Chevrolet's efforts to introduce the Chevrolet Nova into Mexico. General Motors changed the name of the vehicle to Caribe when it discovered that in Spanish Nova translated as "it doesn't go." After the name change sales increased dramatically.

### **LANGUAGE - Silver manure and resurrected ancestors.**

Ford Motor Company stumbled when it introduced the Comet in Mexico as the Caliente. Had Ford done its homework it would have known that Caliente is slang in Spanish for street walker. Rolls Royce also crashed into the language barrier with the introduction of the Silver Mist in Germany. Too bad they didn't do some research. If they had they would have discovered that Mist means manure to the Germans. And, imagine Sunbeams chagrin when they introduced the Germans to the Mist Stick.

Coors Beer could have saved itself some embarrassment had they taken time to research the slogan "Get loose with Coors". In Spanish the literal translation read, "Get the runs with Coors." Having not learned the lesson well initially, Coca-Cola suggested to their potential Chinese audience that "Coke brings your ancestors back from the dead." Of course what Coke meant to say was, "Coke adds life!" and could have avoided this faux pas simply by recognizing that language is influenced by culture.

If language isn't enough to make us bolt for the research department then maybe how we say what we say may.

## **NONVERBAL COMMUNICATION**

Saying "Yes" but meaning "No"

Our international marketing efforts are also shaped by what we don't say. Behavior, intentional or unintentional, carries meaning. The non-verbal communication will most often be received within a cultural context. That cultural context can be expected to be different than that of the originator of the message.

Nonverbal communication includes eye movement and contact, facial expressions, hand motions, physical appearance, body positioning, personal space, touch, and perhaps even how time is utilized.

We have all experienced discussing a matter with someone who was answering in the affirmative while shaking their head negatively. Not only was this a mixed message, but depending on the context of the situation it actually may have meant that they did agree, didn't agree, were amazed at the situation, or found the situation humorous.

Imagine the same encounter in a foreign setting. To a Greek or Turk to shake their head from side to side indicates agreement or "Yes". Just the opposite to the up and down movement of that of someone from the United States or Canadian. It takes little imagination to think of any number of predicaments in which an unthinking foreign business person could find themselves because of their nonverbal behavior.

## **TIME**

Is that a "football minute" or a "putting on makeup" minute?

The different ways in which cultures perceive time is illustrated clearly by the way the Vietnamese and Americans approached the Paris Peace Talks during the Vietnam War. When the American negotiators arrived they checked into the Ritz Hotel. However, when the Vietnamese delegation arrived they leased a villa for two years! Clearly these two groups of people had very different ideas of how much time would be invested or required for the process of a negotiated peace.

Time is a universal aspect within cultures. How a people define time effects their lives in virtually every way. The time given to developing relationships, when appointments are made, how they are kept, when meetings begin and end, holidays, arrivals, departures -- all is influenced by the cultural understanding of time.

## **TIME**

Let's see, do we need a calendar or a clock?

Mao Tse Tung, the revolutionary leader of China, was asked what he thought of the French Revolution. "It is too soon to tell," he replied, perhaps only half joking, but never the less indicating his perception of time.

Some cultures have a predisposition toward the past. Others focus more on the present, while others look toward the future. Each cultural bent toward time will effect how they conduct business, build strategies, and formulate decisions.

Not only is time perception a challenge for the cross-cultural marketer, but equally as important to understand is how a culture organizes time.

Generally there are two ways that cultures organize time: Monochronic -- that is linear, and Polychronic which is circular. Each presents tremendous obstacles for those of the opposite organizational structure.

## **TIME**

It really is a matter of perspective.

The island nations that dot the Pacific are known for their warmth and charm. The people are a delight and balmy breezes, blue sky and azure seas are a magnet to tourists and business alike. But be prepared because these folks don't conduct business like the Germans or Americans.

Pacific Islanders are Polychronic in their approach to time. Time is circular, unlimited, endless, beyond humanity, external to the demands and commands of men and woman. Time is nonlinear. Events must run their course and relationships are more important than the product which may be produced as a result of the relationship.

An American who is Monochronic (that is one who considers time as a continuum or linear in nature) may begin a meeting with a brief discussion of family, weather and friends and then "get down to business" and cover the agenda of items necessary to the business at hand. To the islander this is offensive, rude and one-dimensional. The American is avoiding the important issue of relationship building which is essential.

The Monochronic views the Polychronic as invasive. The Polychronic views the Monochronic as evasive. Time is a continuum in Asia. In the West it is a commodity. In the Near East there is plenty of time. To the West time must be saved, and controlled. To the Irish time is of little significance because God made so much of it.

## **FOOD**

All Big Macs are not created equal.

While language may be the primary cross-cultural obstacle the international marketer will encounter, food is a close second. Food is a highly sensitive cultural issue.

In France 80% of the corn harvested is used to feed pigs and chickens. The Japanese traditionally have used cereals to produce children's snacks and the Germans are inclined to eat cheese and bread for breakfast. The Indians, while accustomed to having a good solid breakfast, usually eat a hot meal in the morning and only 3% are inclined to eat cereal. Clearly these markets present significant cultural barriers to Kellogg's Corn flakes.



Coffee for Americans, tea for the British. Juice for breakfast in one nation, for an afternoon break in another. With a Big Mac it's wine in Paris, beer in Stuttgart, Coke in the US, and green tea in Taiwan. Fresh eggs in the West, thousand year old eggs in the East. Coleslaw in Dallas, Kimchi in Seoul.

In every culture, every meal has its variations. From the mundane to the ceremonial, from holidays to holy days, food is central to cultural identity. While you may "do lunch" in LA, the prudent international marketer will find out what's expected in Beirut.

Before moving on to some practical solutions, let's take a look at some foundational principles.

1. Marketing objectives are same at home and abroad.

We seek to fulfill the wants and needs of our customers. This does not change when we step outside of our own culture. And, it requires we understand the new environment to meet those needs successfully.

2. Culture influences every aspect of a potential audience.

Every one of the typical research points -- the descriptors of who buys what where, when, how often and why -- is influenced by, and varies according to culture. Every one!

3. Culture develops over time and is inextricably linked to a nation's history.

Cultural threads blend together to weave the fabric of the tapestry of a given people. Vastly different philosophies of life yield vastly different life experiences. To each they are practical, reasonable, and understandable. The impact of history and geography serve to sculpt the culture of a nation.

4. Conscious awareness of our own cultural values is rare.

We are to our own culture as a fish is to water. Most of us just live in it like a fish lives in water. It isn't until we are "fish out of water" that we become acutely aware of our culture -- or rather lack of it.

5. There are ten common cultural characteristics of which we need to be aware.

Culture is functional and it is a social phenomena that provides perspective for it's people. Culture is also learned, and is extremely arbitrary. It is also value laden, facilitating communications. Culture is adaptive and dynamic, and is a long term factor which satisfies the needs of it's people.

6. Cross-cultural differences are multi-faceted.

Cross-cultural differences include, but are not limited to, language, nonverbal communication, religion, time, space perception, color, numbers, materialism, manners and customs, aesthetics, status consciousness and food.

It is the complexity of these differences, combined with the unique characteristics of each culture that we encounter when we step into another's nation.

Now, let's take a look at the gap that needs to be bridged.

## **1. Bridging The Gap**

### **PERCEPTION IS NOT REALITY**

Travel almost anywhere these days and one would think that the world had turned into one supermarket, with few regional or national differences. MTV, Pizza Hut, Levi's, Shell, Pioneer, the NBA, Marlboro, Sony, MasterCard, they are everywhere. It appears that we have achieved world peace through the ability of commerce to unify consumers. At least that's the perception.

That perception of a convergence of all cultures into one common international culture is known as "Globalization" or "Standardization."

Research shows however, that despite all the talk of globalization, two remarkable effects are taking place. First, cultures are not converging toward a global standard; and, secondly national values are actually diverging.

It's a paradox. While multinational corporations are building worldwide brand loyalty, at the same time cultural nationalism is accelerating.

Beware the illusion of globalization. Let's take a closer look.

### **FROM BRUSSELS TO BOSTON, SAME PRODUCT SAME MESSAGE**

First let's look at the concepts of Standardization or Globalization.

For our purposes we will use the term Standardization to describe the increased desire of international consumers toward transnational products and industry's response. Globalization, in general, includes the actual presence of a product in an international market. However, the mere presence of a product does not equate to its standardization or acceptance. Standardization results from a process of narrowing the visual, editorial and audio marketing content of a product to its most universal components. It also includes the manufacturing of products that are standardized. Coca-Cola, Pepsi, Levi's, McDonald's, Kellogg's, Whirlpool are but a few examples.

Multinational companies generally view the world as a singular market. Typically these corporations operate from a centralized global headquarters that provides international direction and strategy with local representative offices providing the actual implementation tactics. It is not uncommon for these organizations to apply marketing strategies, packaging and service related function virtually uniformly from one nation to another. These companies view national borders and cultural differences as superficial and present the identical products worldwide.

Despite cultural differences there are forces at work that indicate that standardized marketing programs are not only feasible, but preferred. And, at first inspection there appears to be merit in the arguments.

## **IF IT SELLS IN MELBOURNE IT CAN SELL IN SEATTLE**

Forces that lead toward standardization include:

- Infrastructure - Not only in the West but in many emerging nations, distribution channels and infrastructure are conducive to standardization of marketing efforts.
- Financial - National economies are growing and banking institutions once bound by national boundaries are now transnational. Capital is now far more fluid than ever before, increasing the expenditure of funds from a centralized source to many international markets.
- Technology - Micro-processors, satellite up and down links, microwave transmission, the internet, and other emerging technologies contribute to the ease of use of standardized marketing endeavors.
- Accessibility - From Taiwan to Times Square the ease by which products can be produced, presented and acquired has contributed greatly to a preference for standardization of marketing communication procedures.
- Competition - Local and international company's ever increasing acquisition of market share, compel other competitors to seek every economic advantage. Standardization enables companies to unify their efforts globally. What isn't spent on development can be spent on promotion and advertising.

## **BENEFITS OF STANDARDIZATION**

Some of the benefits of a standardized marketing effort include:

- Lower promotion and advertising costs
- Consistent global advertising and promotional efforts
- Worldwide unified packaging
- Broader corporate image
- Improved quality of products through centralized quality control
- Customer preference is strengthened
- Competitive position strengthened
- Higher profits
- Lower production costs
- Global sourcing
- Worldwide corporate orientation
- Economies of scale
- Global corporate philosophy

However, standardized marketing strategies are extremely difficult to implement.

Why? Let's look at the disadvantages of standardization.

## **DISADVANTAGES OF STANDARDIZATION**

Some of the disadvantages of standardization include:

- Cultural differences impede implementation
- Geography and physical terrain
- Buyer behavior differences
- Company becomes less responsive to local consumer needs
- Less competitive because of broad focus
- Localized consumer preferences

The company that does not take these disadvantages, and perhaps hundreds of other, into consideration does so at its peril.

### **A GOOD BAD EXAMPLE OF STANDARDIZATION**

At 65 -70% of market share, the world leader in razors is Schick. In Japan they also hold the high ground with a 62% share.

The comparison with Gillette's efforts is striking.

Gillette has chosen to standardize its marketing strategy. Except for a quick tag on the end of the television spots, the Japanese ads are virtually identical to those run on US television. Product packaging is also very American with the brand name in bold English except for a small corner section with the Japanese version noted in small characters. In addition, Gillette has no local Japanese distribution system and has attempted to use its own sales people and wholesalers.

The net result of Gillette's efforts is unremarkable except as a good bad example of standardization.

By contrast Schick took an adaptive strategy.

The television spots show a handsome young Japanese man in both a familiar interior setting and also on a Japanese beach with his dog. The language is Japanese and the product has been renamed. Tracer -- the English name -- proved to difficult for the Japanese to say. Schick changed the product name to FX. The new name is more easily spoken and the packaging is also Japanese in design. In addition Schick sells razors through Seiko and its 150,000 wholesalers. It's no wonder that they hold a commanding position in the market.

Schick adapted. Gillette standardized.

### **GOOD EXAMPLES OF STANDARDIZATION**

If you have a chance to save \$20 - \$40 million in marketing production costs, you probably ought to do it. That's what Colgate-Palmolive did when they introduced its Colgate tartar-control toothpaste in some 40 nations.

Local advertisers had a choice of two television ads to run in their areas. These carefully written and produced spots were developed around a set of standardized features and benefits common to the 40 nations. Cultural diversity was also considered a low priority

with the design of a standard package for all regions. This resulted in \$1 - \$2 million saved in production costs in each market.

Coca-Cola may have stumbled with the Chinese with “bite the wax tadpole,” but standardization saved millions of dollars in global advertising. McCann-Ericson boasts \$90 million in savings over a 20 year period through standardization. Anyone who has traveled to more than one country, watched local TV and scanned a local newspaper recognizes the Coke message. The agency standardized specific elements of the campaign and used them cross-culturally worldwide.

Standardization is possible. But, you better be smart, resourceful and do your research.

## **INDUSTRIAL GOODS AND NON-DURABLE PRODUCTS**

National habits and tastes generally influence the ability for a product to succeed within a foreign culture. Non-durable products, those items consumed which need to be repurchased often, are far more likely to require modification to be accepted. By contrast, industrial goods and technological products seem to require less adaptation and can be standardized more readily.

Standardization is preferred when . . .

- It is too costly to adapt the product to the local culture
- The product is an industrial in nature
- Local tastes are similar to those in other nations
- The product will be primarily used in an urban setting
- Advertising and promotion is similar in other nations
- Strong centralized management controls the strategy
- Saving can be realized in production, R&D, and general marketing efforts
- Other international products are also standardized
- The product is used by an international and mobile customer base
- The origin of the product is viewed in a positive light within the foreign nation

There are also times when Adaptation is preferred.

## **THE CHAMELEON PRINCIPLE – ADAPTATION**

Adaptation is the view that each national market should be approached separately. This view holds that the cultural differences from nation to nation are such that each product or service must be researched and analyzed for appropriate cultural impact. The marketing efforts are designed to allow the product or service to reflect the local culture. That which is a strength in one cultural setting may be a liability in another.

Adaptation is preferred when . . .

- There are different technological specifications
- The products and services are primarily consumer and personal in nature
- Significant variations in consumer needs are present
- The way in which a product is used is different from other cultures
- Availability of the product is restrictive

- Income levels are dissimilar
- User sophistication is different
- Skill levels of users are unlike
- Cultural differences are obvious
- Environmental restrictions are present
- Raw materials and related support vendors are not readily available
- Competitors use the product
- Distinct cultural habits are evident

Standardization, Globalization, Adaptation . . . What's a marketer to do?

### **THINK GLOBAL AND ACT LOCAL**

As noted earlier, studies over a 20 year period have shown that while there is a distinct perception of convergence taking place globally, actually divergence is more the norm. Values are not collapsing toward a common middle ground.

In many nations, especially in the West and in the United States, open immigration has resulted in a melting pot effect. People from many nations, with diverse cultural habits and values have increasingly coalesced. Yet it appears that assimilation is rejected. Not only is this true in the West but in Eastern Europe we see a clamor for ethnic identity. Russia is experiencing tremendous pressure from culturally diverse groups.

While the world seems to be shrinking and drawing closer and closer together nationally, culturally people are tenaciously holding on to their ethnic identities. Air travel, the internet, satellite communications, and the global age all clearly demonstrate how small the world is really becoming. We are losing our sense of uniqueness as a people.

But what are the unique qualities that make a people culturally distinct?

### **CORE VALUES MAKE THE DIFFERENCE**

We are in the midst of the homogenization of the world. That is undeniable. But at the same time people are clinging to deeper culture values that make them unique.

In the urban centers to the suburbs, from Los Angeles and New York, Hispanic-Americans prize their Spanish or Mexican roots. In London and scores of African nations, one can see the ethnic trappings of Islam. Black Americans, Chinese Singaporeans, Afrikaans South Africans, Native Americans, Sovereign Hawaiians, Indigenous Australians, and New Zealanders who are Maori, each proudly identifies with their ethnic roots.

While lifestyles may homogenize the masses, ethnic identity rises to unify individual cultural groups.

This unification is along deep, core values. These values are treasured within the ethnic psyche and are deeply rooted in religion, language, art, literature, music, dance, and family. These values shape the cultural identity, providing integrity and definition of the self within the ethnic community.

Values are not generally standardizing on a global basis. The more we become the same, the more our differences are important.

If standardization is imprudent and risky, and adaptation is too expensive and impractical what's the international marketer to do?

Think global. Act local.

## **GLOCALIZATION**

Perfect standardization is impossible. There are just too many levels within any give culture that would have to be addressed. It's impractical. It's equally impossible to adapt to every cultural setting into which a company would like to gain market share.

There is a third option that has emerged over the last few years -- glocalization.

Glocalization seeks to unify the strengths of adaptation and standardization. In matters that are strategic there may be a standard, global approach. While tactical issues of implementation are left to the local leadership to provide culturally relevant editorial, visual and audio direction. While providing local implementation and application, globalization also seeks to create international strategic marketing direction.

## **FRIED RICE, MUTTON PIES, TRIPE SOUP AND PLEASE DON'T TANGLE THE SARI**

With a glocalized approach not only does the advertising and promotional message adjust on a local level, but so too does the product.

Think global. Act local. Glocalize.

## **THE MORE WE'RE ALIKE, THE MORE IMPORTANT OUR DIFFERENCES**

When a company begins to think seriously about venturing outside its borders, and beyond its known cultural arena, adapt or standardize becomes a primary question.

While standardization can increase profits and productivity by marketing a product the same worldwide, there are substantial risks. Poorly instituted, it has the potential to project a corporate imperialistic image that can be damning. Perhaps the most significant risk is that of losing touch with the needs and desires of the local market.

Across the board standardization works only with a few consumer goods which are highly visible, branded products. A universal approach may work with products which require the customer to have only minimal understanding of how the product is used, and needs low information content in it advertising message. However, few products can get away without some adaptation.

Research suggests that organizations globally are becoming increasingly similar. However, internally and at the local level they are maintaining their cultural identities and characteristics.



## **NEVER ASSUME THEY KNOW HOW TO USE THE KETCHUP**

If you have ever traveled outside your native country, you know the importance of finding familiar foods. While it can be a great experience to taste exotic flavors and drink mysterious libations, we eventually want to smell, taste, and see the familiar. Most Americans know the joy of returning to the States and heading for their favorite hamburger stand. Somehow the food just never tastes the same overseas.

When approaching the marketing of food products internationally the recognizability factor is important.

Recognizability - This is the need that people everywhere have to recognize what their food is made of and to have a general idea of how it is processed. Recognizability applies to appearance, taste, and texture of the food. It just has to look, taste, and feel right.

Generally, a food product will not sell well in a foreign market where the customer does not understand how the food is to be used, what it is made of, how it will taste, or how it is produced. Overcoming predispositions toward particular products is a major obstacle.

Heinz had to develop an extensive educational campaign when introducing its ketchup in Greece. The company had to show the Greeks how it could be poured on pasta, eggs, cuts of meat and so on. In Japan Heinz sponsored cooking classes highlighting the joy of preparing omelets, sausages and other Western styled foods with that "special sauce."

## **GLOBAL IMPERIALISM AND THE WORLD CULTURE**

Globally goods that fall between the low-priced products and luxury products are more culturally bound. For example low-priced products such as candies, fast food and drinks tend to standardize well with small adaptation requirements. This seems to also be true of high-end products such as luxury cars, designer waters, jewelry and prestige credit cards. Products in the middle range are far more grounded in the local culture and require careful consideration. These will need far more adaptation when being introduced into a foreign market.

While cultural diversity requires careful attention to the need for adaptation and globalization, there is an emerging worldwide target group that exhibits common cultural characteristics -- youth.

With a projected customer base of 1.5 billion, marketers have been quick to develop strategic communication techniques to reach the enormous homogenized group. Teens around the world are remarkably similar in tastes and buying habits. Language is the last true cultural limitation. They have more in common with each other than with their parents, whether they are Taiwanese or Japanese, Canadians or Americans, Australians or Brazilians. They wear Levi's jeans and Benetton tops, listen to rap music on a Japanese Walkman, watch MTV on a Pioneer, eat and hang out at McDonald's, sport Nike shoes and wait for hours in line to watch movies from the US. These are the global generation with a truly world culture.

THE PARADOX OF CONVERGENCE AND DIVERGENCE. That perception of a convergence of all cultures into one common international culture is known as “Globalization” or “Standardization. Research shows however, that despite all the talk of globalization, two remarkable effects are taking place. First, *cultures are not converging* toward a global standard; and, secondly *national values are actually diverging*.

It's a paradox. While multinational corporations are building worldwide brand loyalty, at the same time cultural nationalism is accelerating.

### **STANDARDIZATION - One size fits all!**

To accommodate the need to reach a global market, many companies use standardization to increase the desire of international consumers toward transnational products. Standardization results from a process of narrowing the marketing focus, and the product itself to a common set of specifications.

These corporation centralize global direction and strategy, while localizing the actual implementation tactics. These companies view national borders and cultural differences as superficial and present the identical products worldwide.

Despite cultural differences there are forces that suggest that standardized marketing programs are not only feasible, but preferred. Infrastructure, national banking institutions, technology, accessibility to production and distribution channels and international competition combined to form a strong basis for standardization.

National habits and tastes generally influence the ability for a product to succeed within a foreign culture. Non-durable products are far more likely to require modification to be accepted. By contrast, industrial goods and technological products require less adaptation.

### **ADAPTATION - Of course we can customize that for you!**

Adaptation is the view that each national market should be approached separately, and that each product or service must be researched and analyzed for appropriate cultural impact. The marketing efforts are designed to allow the product or service to reflect the local culture.

Standardization is marked by its apparent cost benefits of a single worldwide product and marketing effort. Adaptation is marked by increased costs to localize the product and the marketing. Upon close evaluation each approach has limitations.

As noted earlier, studies over a 20 year period have shown that while there is a distinct perception of convergence taking place globally, actually convergence is more the norm. Values are not collapsing toward a common middle ground. People are clinging to deeper culture values that make them unique. These values are rooted in religion, language, art, literature, music, dance, and family, which shape cultural identity. Values however, are not generally standardizing on a global basis. The more we become the same, the more our differences are important.

If standardization is imprudent and risky, and adaptation is too expensive and impractical what's the international marketer to do?

Think global. Act local.

GLOCALIZATION - Here's the ball, you run with it!

Glocalization seeks to unify the strengths of adaptation and standardization. It seeks to create international strategic marketing direction, while providing local implementation and application.

When a company begins to think seriously about venturing beyond its known cultural borders, adapt or standardize becomes a primary question. Research indicates that organizations globally are becoming increasingly similar. However, internally and at the local level they are maintaining their cultural identities and characteristics. This tendency reinforces the practice of glocalization.

Of course there is always that one exception.

While cultural diversity requires a balance between standardization and adaptation, there is an emerging worldwide target group that does exhibit common cultural characteristics -- youth.

With a projected customer base of 1.5 billion, marketers have been quick to develop strategic communication techniques to reach the enormous homogenized group. Language is the last true cultural limitation. These are the global generation with a truly world culture.

## **UNDERSTAND THE ABYSS BEFORE ATTEMPTING TO BUILD A BRIDGE**

One of the things that strikes foreigners about Americans is how casual they are. T shirts and jeans are almost the national uniform in the US, sending a message of informality and a lack of concern for status conveyed by clothing. Walk the streets of Moscow dressed in jeans and a T shirt and the message is quite different. In Russia, where jeans are in short supply and T-shirts are not the common choice, those wearing them draw attention to themselves as fashionable, trendy, and very status conscious.

If you travel from Columbia to Chile you better remember which country greets with one kiss and which with two. Instant coffee in Germany is akin to instant tea in Britain. And while Americans use their flag proudly for everything from swim wear to table wear, the Mexicans were horrified when McDonald's used the flag as a decorative element on its place mats.

The fact is that it is naive to attempt cross-cultural marketing with the idea that people are pretty much the same, and behave predictably wherever you go. Before one takes the step across that international border with the idea of capturing the market, better do your home work.

Having taken a brief over view of what the abyss looks like that needs to be bridged, let's focus now on cross-cultural negotiations and international research -- both are fundamental to success in the global marketplace.

### **3. Understanding The Words**

#### **BEWARE OF THE UNCONSCIOUS SELF**

We've all seen it in little children. It's that self centered, I'm the hub of the universe mentality, from which the child begins to grow. As their awareness of the world around them increases they begin to realize that there are other people in their world. Gradually their world view shifts from the self to include others. Their view of the world around them is shaped and molded by the values, attitudes and life-style of the family, community, and culture in which they live.

There is in each of us as we grow the inclination to measure the world around us by our personal understanding of that world. What's good and what's bad; what's appropriate or inappropriate; when to talk and when to listen, are all determined by an unconscious reference to what we believe about a particular situation within the context of our culture. This is called the Self Reference Criterion (SRC).

The use one's self -- either personally or corporately -- as the primary reference point is arrogant. It leads to assumptions based only upon a narrow foundation of data, and almost always has negative consequences.

Consider EuroDisney.

#### **AN AMERICAN MOUSE IN FRANCE**

The self reference criterion (SRC) was in full form as Disney descended on Europe.

Despite the French abhorrence to using lawyers to conduct the initial negotiations, the efforts to accommodate European tastes was admirable once they got over the swaggering American's way of doing business. These included Disney's incorporation of European fairy tales into the rides, exhibits which featured Europe's great writers, artists and history, as well as cultural achievements. Signage and the staff were multilingual. Reservations boasted 12 language options and the traditional Disney characters spoke with European accents, not American.

But despite these efforts, the self reference criterion persisted. The strategy clearly was to clone the American theme park and plant it in Europe with all its cultural baggage. Dress codes, management systems, training practices, dinning schedules, and even the types of beverages offered reflected an American cultural bias.

Disney's position was that the Disney system worked other places, it would work in Europe.

#### **OPPS, PARDON OUR CULTURE**

Disney "family values" prohibited wine and beer with meals. Europeans are accustomed to drinking both with meals. Lawyers are a last resort with the French, the first line of negotiation with the Americans. Facial hair is normal for European youth, but not

considered “clean cut” by Disney standards. Guests stayed two days in the hotels, not three or four as the American theme parks experienced.

Monday was a heavy guest day not Fridays as in the US. Family vacations are longer in Europe but tightly budgeted as opposed to many smaller trips made by Americans. The Europeans hold education higher than Americans and would not take their children out of school to go to EuroDisney.

Disney's high service emphasis was not understood by the Europeans and young employees saw no need to sport the traditional happy, smiling face found in the US theme parks. The Europeans wanted to sit down and eat meals in a leisurely manner. Disney wanted the guests to grab a burger and keep moving. Repeatedly Disney chose to make decisions based on its own perceptions of reality -- Self Reference Criterion -- rather than take the council of its European partners.

### **THE COST OF CULTURAL ETHNOCENTRICITY**

EuroDisney's first year was a major loss. Projected at 12 million, actual attendance came in at 9.5 considerably less than the request 11 million to break even.

In addition to a glaring lack of cross cultural awareness, high prices, higher than the US, in an economy with lower disposable income didn't help. The Europeans were in the throws of a recession, allocated less percentage of their income to vacations, stayed shorter times, and spent less time and money on shopping. Generally the impression was that it was too expensive, not as good as the States, and not worth the effort.

Net result: Disney and its partners had to restructure and rethink how it conducted business in a foreign environment.

Disney isn't alone. Europeans in the US. Japanese in Australia. Chinese in Indonesia. No one, and no company is immune from the Self Reference Criterion.

But there is a defense.

### **ON GUARD!**

It must be remembered that one's culture is virtually invisible to them. We see their cultural idiosyncrasies, but not our own -- and vice versa. Culture is something that has been learned from parents, family, friends, teachers, and a million subtle lessons over years.

Financial loss can soar into the millions as a result of cross cultural incompetence. Wasted negotiations, lost sales, closed markets, and abandoned alliances are but a few of the results of those who fail to understand the nuances of the other's cultural underpinnings.

Cultural bias is universally conservative and resistant to change. International marketers must accommodate the differences, not attempt to adjust them.

## **4 STEPS TO EXPOSING CULTURAL BIAS**

Whether it is negotiating a contract, recruiting personnel, training local representatives, or any other of a thousand interpersonal transactions, the Self Reference Criterion can be the undoing of a successful cross cultural exchange.

Here are four simple exercises designed to raise awareness and reveal unconscious cultural bias.

1. Define indigenous rules as they apply to the objective.
2. Delineate foreign rules as they apply to the objective.
3. Detail idiosyncratic factors that influence the situation.
4. Develop a culturally accommodating strategy.

### **1. Define indigenous rules as they apply to the objective.**

To increase the probability of a successful cross cultural negotiation begin by defining the objective by characteristic expectations as if the meetings would be conducted in your home country. What cultural traits, values or norms would be expected to be at play during the transactions?

For instance in the United States Americans would expect a certain level of dignity while maintaining informality and would assume a general equality of the members at the meetings. There would be an understanding that information would be presented in a linear way - building to a stated conclusion. The presentation would clearly address the issues and argue the strengths of the matter in a straightforward manner that clearly states the required action by the other parties. There would be an expectation of some sort of commitment or rejection at the conclusion of the meetings.

These cultural characteristics will vary, not only from nation to nation, but also regionally within a national setting. Once the indigenous rules have been defined as they apply to the objective, then the foreign rules need to be delineated.

### **2. Delineate foreign rules as they apply to the objective.**

Prior to encountering any major negotiations or cross cultural transaction, it is critical to research the cultural context into which you are entering. Investigate what is considered appropriate business settings for the type of meeting planned. What will be expected of each member of the meeting? Understand the cultural value and norms surrounding leaders and subordinates. Examine secondary research related to every identifiable facet of the proposed transaction. If necessary conduct primary research to uncover unexpected cultural biases that could derail the communication process.

Americans in a meeting with Japanese could expect to spend a great deal of time developing a sense of relationship both in formal and informal settings. The need for an attitude of personal trust would need to be developed early in the process. Conversations could be expected to include a wide variety of seemingly unrelated issues before substantive communication takes place. This could take days, not hours. The Japanese would be expected to be extremely formal and adhere to a strict hierarchy

within the business relationships. The primary authority may not carry the meeting orally, but control by presence and body language.

Recognizing the foreign cultural distinctions as they impact the objective of the transaction reveals hidden obstacles to success.

### **3. Detail idiosyncratic factors that influence the situation.**

Every negotiation will have its own set of unique factors. The key will be to isolate as many Self Reference Criteria as possible that may impact those unique factors involved in the cross-cultural communications. Looking carefully at the objective of the communications in light of the foreign values, traits and norms will reveal the issues critical for analysis.

In the Eastern European environment there is a long tradition of top down directive management, collectivism, state planning and a diminishing of the individual destiny in favor of the national or corporate well being. This set of cultural values is in sharp relief to that of the American pride of individualism, independent enterprise, and self reliance that is demonstrated in both private and public life.

Detailing influences that are ethnocentric, raising awareness of their impact, and making the appropriate accommodations is essential to effective cross cultural communications.

### **4. Develop a culturally accommodating strategy.**

Armed with an understanding of what the communication process would include in your indigenous setting as well as the foreign setting reveals the key factors for SRC influence evaluation. Equipped with that information you can build a strategy which avoids the hazards of the Self Reference Criteria.

Management of the diversity of personalities, organizational systems, hierarchy and functions within a domestic setting can be formidable. These are compounded when an organization moves into the global marketplace.

Cross cultural negotiations are a communication mine field. Those unprepared enter at their peril.

## **AHH, THE FINISH SAUNA**

Negotiations are tough enough in one's home country, but unless you do your homework you may never know what to expect in a cross-cultural situation. Don't be surprised if your Finish counterparts invite you to take a sauna at a critical juncture in discussions. The Finns love their saunas -5 million Finns and a million and half saunas. Who needs a stodgy board room to close a big deal when you can get naked and relax.

When two parties come to an agreement on issues of mutual benefit, we call that "negotiations." It's a dance of communication blending perceptions, information, interactions and reactions. Underneath the process lies a matrix of cultural values,



norms, beliefs and expectations. And, each person brings their own unique perception of the world, viewed through their cultural grid, to the negotiation process.

Whether it's in the high rise board room of New York, on the sun drenched beaches of the Riviera, or in steamy Finnish sauna, the domestic rules taught and used rarely apply in the foreign setting.

International success requires a cross-cultural perspective of the process of negotiations.

## **SAME SONG, DIFFERENT TUNE**

The traditional four stages of negotiation as noted in "Cross Cultural Negotiation" by Hendon, Hendon and Herbig are: Nontask, Task, Persuasion, and Agreement.

Moving outside one's home culture doesn't seem to alter the primary steps. It does however radically impact the strategies, tactics, content, time, and order spent on each phase. In addition the significance placed on each step may also be different between the negotiating teams.

While the basics are the same, the process of reaching agreement is under significant cultural influence. One culture may arrive at a settlement by a series of compromises and trade offs on specific items. Another culture may prefer to start with agreement on a variety of broad generalities. For some cultures the contract is not expected to be binding in the real world, and is only a broad set of ideas.

Taking the time to study the negotiating styles, expectations and customs may just save the project.

## **NONTASK**

All negotiations have an introductory time where relationships amongst the key parties are established. Typically, during this nontask phase the parties seek to get to know and understand one another. The specifics under negotiation are rarely addressed during this stage.

Fundamental cultural and philosophical differences abound at the nontask phase of the negotiations as each side takes sounding of their counterparts.

Imagine the confusion between uniformed Americans and equally ill prepared Japanese when they first meet. The Americans are eager to negotiate a strong, mutually beneficial contract. On the other hand the Japanese are far more concerned about negotiating personal relationships as they do not believe that a contract alone will guarantee success.

Understanding the other party's expectations at each phase is critical to success. Time committed to this stage of the process will vary significantly depending on the cultural objectives.

## **TASK**

When the negotiating parties are comfortable with one another, they move on to the exchange of important information relative to the task at hand. Each side evaluates the data in light of what both sides will need and what alternative options may be available.

Contrasts in cultural expectations of this fact gathering stage can, if not anticipated, derail the negotiations.

While Americans would expect that a presentation would contain all important and relevant data germane to the project, the Japanese expectations are quite different. Americans may spend some time discussing and delving into details. However, the Japanese by contrast, assume that there is much more to know and discover and will invest countless hours seeking to place the project within a context they understand. They will spend, what to Americans, is an inordinate amount of time questioning every possible detail. They want to thoroughly appreciate the other parties point of view, objectives and preferences.

## **PERSUASION**

This stage is often entwined with the Task phase of the negotiations and also with the Agreement and Concessions stage. Never the less, taken on its own, it is the stage designed to modify the other parties' views on the subject through the use of convincing tactics. Our willingness to be persuaded and to make concessions is, like most everything else, culturally bound.

Always the pioneers, when Americans persuade someone to their position, they've conquered the foe. It's a conquest. Japanese are understandably irked at this posture. To the Japanese, persuasion is a meeting of the minds -- to be included. Frank and open discussions, typical of American culture, are an offense to the Japanese who are more interested in maintaining harmony.

The process of persuasion is a ballet. To accomplish it well, and with grace both parties must be dancing to the same music. A little research can yield enormous dividends.

## **AGREEMENT**

Finally! The culmination of the negotiations is close at hand. There has been a mutually beneficial and acceptable set of understandings put forth. But, to arrive at agreement, both sides had to make concessions. How those concessions are understood and adhered may be profoundly different from one cultural setting to another.

Cultural expectations will again have a major influence. In some cultures the breaking of a promise may carry significant moral weight. In another it may be tolerated to break the promise, perhaps even expected. The final agreement may be perceived by an American as binding and absolute, while a Mexican may view the contract as an exercise in ideas, with no specific expectation of applying it consistently in reality.

The cultural underpinnings, history, moral structure, and values will overshadow the final agreement and its implementation. The international marketer is well advised to discern the cultural context, the spirit and the letter of the agreement. Take nothing for granted.

## **IN AND OUT OF CONTEXT**

We've all encountered a situation where something was misunderstood because it was "taken out of context." We've also experienced clarity when the subject was presented "in context." Context is the sum total of the communication -- vocal and non-vocal. It is all aspects of the communication that surround the remark or written document and provide clarity.

There are two primary categories of cultural context -- High Context and Low Context. When approaching cross cultural negotiations understanding the cultural context for the communication is essential.

## **FACTORS OF CONTEXT**

Verbal Factors include:

- Rate at which words are spoken
- Voice pitch or tone
- Intensity of voice patterns
- Loudness
- Flexibility of the voice to the physical setting
- Quality of the voice
- Fluency
- Expressions in the voice
- Nuances and inflections

## **CONTEXTUAL ESCALATION**

The higher the reliance on context to communicate the higher the degree of difficulty for information to be transmitted and received successfully. Of course the opposite is also true. If a culture reliance on a low set of contextual codes to communicate, then messages can be sent and received with a higher expectation of success.

High-context cultures rely on a major portion of the communication about an individual to be transferred by non-verbal codes. Friends, associates and family members may also convey the status of the individual through non-verbal factors. Casting the eyes downward, not extending a hand in greeting first, a bowed head, and so on are non-verbal indicators about the individual and the group's expectations.

Creating and interpreting communication in a high-context setting requires understanding of the external environment, circumstances surrounding the setting and a grasp of the non-verbal behavior of the participants.

## **HIGH CONTEXT**

High-context cultures typically have an open air lifestyle, an elaborate network of personal contacts, social interaction is important, they favor innovation and have a flair for living. Expect meetings to last far longer than low-context cultural. The communication is often seen by low-context cultures as non-committal, vague, ambiguous, and too relationship oriented.

These cultures include:

- Southern European
- Latin and South American
- Asian
- Pacific and Polynesian
- Arabic
- Russian

## **LOW CONTEXT**

Because of a lack of shared contextual meanings, low-context cultures rely heavily on an explicit code to transmit information. This code is called, “words.” The low-context culture places emphasis on the substance of issues. The details are important and are provided generally in a direct, straightforward manner with little ambiguity. The communication is often seen by high-context cultures as rigid, highly structured, and far to direct.

Low-context cultures tend to be heterogeneous and personal relationships are far shorter in duration than those in a high-context cultural setting. Relationship building is not considered a high priority and is often passed over quickly in an effort to move on to more substantive issues. Business agreements are usually written, rarely verbal.

These cultures include:

- Anglo (North American, Australian, etc.)
- Scandinavian
- Germanic
- Northern European

## **WHEN “YES” MAY MEAN “MAYBE”**

The critical nature of understanding context can be illustrated by the difference between American “Yes” and a Japanese “Yes.”

For an American, “Yes” in terms of a business agreement generally means that the terms are understood, accepted and presented and will be adhered to without deviation. That’s because Americans are low-context. The high-context Japanese on the other hand may perceive any one of as many as four different meaning for the same “Yes.”

“Yes I understand you’re speaking. Don’t know what you said.” Or, “Yes I understand, but I don’t agree.” Then perhaps it may be, “Yes I understand what you have presented.

No more. No less.” Finally, it may mean, “Yes I understand and agree to what’s been said.” The contextual setting for the discussions -- vocal and non-vocal -- will establish the meaning.

One culture may negotiate a legal, binding, detailed, unambiguous written contract. While another, negotiating the same deal, focuses on the contract as a starting point and is more concerned with the personal relationship. High context cultures may look at the detailed clauses of low context contract as general guidelines, perhaps irrelevant as time passes and other issues develop.

Despite the best of intentions, it is reported that over two-thirds of US/Japanese contracts fail. The contrast between high and low context cultures is a serious factor in cross cultural negotiations. While not sure-proof, there are some guidelines that can be helpful.

## **PRINCIPLES TO NAVIGATE THE TREACHEROUS SHOALS OF CROSS CULTURAL NEGOTIATIONS**

1. You can never be too prepared.
2. Never under estimate the value of intermediaries.
3. Knowing the language increases the potential for success.
4. Pictures are worth at least as much as a competent translator.
5. Winning goes to the side with superior time management skills.
6. Agreements - oral and written - have long lasting impact.
7. Knowing when to fold is an asset.

### **1. You can never be too prepared.**

The Boy Scouts are right. Be prepared. The challenge of negotiation in a domestic setting are tough. Add to this the complexities of a foreign set of expectations, procedures, and hierarchies and you can not afford to assume you can do it like you’ve always done it before. Here are some areas to give special attention:

- Technical details - Any possible technically related issue should be researched and the data at hand.
- Operational procedures - Understanding how the parties will work together on the project should be clearly understood and ready to discuss.
- Cultural Protocol - Know what is expected of each player on both sides of the table. In addition understand expectations regarding social gatherings, dinner, night-life, parties, etc. Leave nothing to chance.
- Time - Negotiation time may require two to six times longer in a cross-cultural setting. Don’t rush.. Prepare for to be patient.
- Language - Learn at least some key phrases in the host language. Show respect for their language. Provide copies of key documents translated into their language.
- Tactics - Research your counter part’s culturally excepted negotiation tactics. This enables you to counter their positions quickly and decisively.

Remember the Boy Scouts. Be prepared.

## **2. Never under estimate the value of intermediaries**

Extensive preliminary work by qualified, cross-cultural intermediaries is often a basic prerequisite for successful negotiations. It may cost a substantial amount of money to guarantee a positive outcome -- as much as anything can be guaranteed in a cross-cultural environment. Spend time and money up front with the other side's key subordinate players. Take every effort to assure they understand the proposal, the implications, and so on. Make them your allies, not you opponents.

Recognize that in many foreign settings the final meeting may be only a formality. The details of the negotiation may need to be worked out over an extended period of time. Then, when all is agreed to behind the scenes, the leadership assemble to formalize the agreement.

No matter how well you think you know the other organization and its key players, do not underestimate the value of a key person, working on your behalf.

## **3. Knowing the language increases the potential for success.**

A foreign language -- if unknown can be a formidable obstacle. By contrast, if you know the foreign language it can be an enormous asset.

Unfortunately North Americans generally do not have a command of a language other than English. And, American English is profoundly different than English taught in many non-English speaking nations. When using English as the negotiating language avoid the use of jargon, idiom and slang. These are usually culturally biased and not understood by the host national.

The inclusion of someone who speaks the host language on the negotiating team can be a tremendous benefit. If however this is not possible, remember to paraphrase your responses, speak slowly and articulate clearly. Restate each point in a variety of ways in an effort to assure understanding.

Remember that language is culturally anchored and laden with contextual nuances.

## **4. Pictures are worth at least as much as a competent translator.**

A mutual lack of understanding of the languages of the negotiating parties can present significant barriers. These barriers can be partially overcome by well prepared visual supports. These may take the forms of diagrams, charts, photographs, drawings, enlarged copies of key documents, samples of products, parts and so on.

When using visual support elements remember that cultures place negative and positive values on colors, shapes and symbols. Black in the west represents death in many situations, while in Asia it is white. The number 4 is unlucky Korea, while in many Western nations it is the number 13. Red for stop in one nation. Red for celebration in another.

Prior to presentation of any visual support, have a bicultural interpreter analyze each piece. A little financial investment at this stage could be the difference between success and failure.

## **5. Winning goes to the side with superior time management skills.**

The perception of time is culturally bound. It effects our world view and how we conduct our personal, private and public lives. Latins, and Pacific Islanders who are even oriented typically arrive later than the time set for a meeting. North Americans, for whom time is “running out” will arrive a bit early to show they value the starting time. The Chinese are not interested in accomplishing the negotiations quickly as this does not provide time sufficient to nurture relationship.

For the Japanese time is a continuum. In the West time is commodity that can be depleted, saved, wasted, controlled or invested. In the Arab world to plan is unimportant because only Allah knows how time will develop. And, for the Irish time is far less important than in most Western nations because, “God made so much of it.”

A little research should reveal how your hosts value time. Be prepared to use time to your advantage. Don't rush.

## **6. Agreements - oral and written - have long lasting impact.**

While the West views a contract as the culmination of the discussions, it is not necessary so in many other areas of the world. Here are few variations that demonstrate the importance of knowing how the host culture views contracts.

- Contracts are the beginning of a relationship and provide guidelines.
- Contracts enable the parties to increase demands upon one another which may not be included in the agreement.
- Contracts are never complete. Even after signing greater and greater agreements may be asked.
- Contracts are valid only as long as they serve both party's interests.
- Contracts are interpreted broadly or narrowly depending on the impact of either party.
- Contracts are legal and binding.

Clearly the possibilities for major misunderstandings are inherent in the process of contractual agreements in a cross-cultural negotiation.

## **7. Knowing when to fold is an asset.**

Using the common term from poker -- “Know when to fold ‘em” applies to cross-cultural negotiations. Going into a negotiation session, know at what point the deal will not work and you are willing to close off the conversations. “Necessity never made a good bargain” Benjamin Franklin is quoted as saying.

Most international negotiators understand that the Americans are virtually bound to return home with a “done deal.” This works against them in the discussions. Asians on the other hand are willing to take as long as is needed to reach agreement. To leave the

deal unresolved until relationships are settled is more important than coming to a compromised agreement.

Better to not close the deal, than to agree to a poorly structured agreement than will not hold or serve all parties concerned well.

The cost of cultural ethnocentricity can be extremely high. To not recognize the destructive force of the Self Reference Criteria is fatal flaw for anyone wanting success on the international field of commerce.

Research, prepare, study, discover all you can about the cultural setting into which you are going. Everything of importance will be culturally bound. There will be few, if any, significant matters that will be perceived by your host the same way you see them.

Ancient wisdom says, "Study to show yourself approved, a workman who will not be ashamed."



## 4. Determining The Message

### CROSS CULTURAL RESEARCH

The majority of mistakes made on the field of international commerce are the result of ineffective or non-existent research. While the principle of “never enough time, money or people to do it right the first time, but always enough to do it right the second time” plays a major role, the Self Reference Criteria is, more often than not, a major contributor to these failures.

Before addressing issues such as advertising, sales promotion and public relations in a cross-cultural setting, we must take a close look at the use of research. These other areas of marketing will be doomed to failure, if appropriate research has not been undertaken in advance of their implementation.

Research will not guarantee success. What it can do is provide leadership with insight into the cross-cultural setting and assist in the structuring of the pivotal communications tools required.

### FAMILIAR TOOLS IN AND UNFAMILIAR SETTING

The basic tools used in marketing are generally the same. The researcher needs to gather, analyze, and present the data. To do so the researcher will use the customary *interview, survey, focus groups, observation and experimentation* techniques.

What is *always* dynamic in a cross-cultural setting is the environment in which the research is being conducted and, the conclusions that can be drawn.

It is imperative that the focus of the research be clearly identified. The problem must be defined in light of the cross-cultural setting to provide information which will be trustworthy.

A little basic research would have saved Mattel a lot of time, money and face with the Japanese when they introduced Barbie. Unable to crack the market, they discovered that the big breasted, long legged, blond image Barbie presented was unpleasant to the Japanese girls. They wanted brown eyes, dark hair, shorter legs and smaller breasts. A complete Barbie make over netted 2 million units sold in two years.

### PRIMARY AND SECONDARY DATA

Let's first consider the value of secondary data (previously gathered, analyzed and presented data) in a cross-cultural environment.

In a domestic research setting much valuable information can be acquired through secondary data. The data, researchers, end users of the data, and the products or services to be marketed are generally culturally anchored. This is not so cross-culturally.

Research in a cross-cultural setting is a mine field for the unsuspecting marketer. Potential errors, from which erroneous conclusions can be drawn, include:

- Not knowing who gathered the data, for what reason and under what conditions.
- Unknown relationship of the data to the researcher's objectives.
- Unreliable measurements and definitions for comparisons to other data.
- Lack of assurance of common controls of data acquisition.
- Accuracy and reliability of the data.
- How old the data is? When and how often is it updated?
- Appropriate availability of the data.

The difficulties with secondary data in a cross-cultural environment are demonstrated by the use of the term "urban." In Japan it represents a population base of 50,000 or more. The same term in India covers 5,000, while in France and Germany a community of as few as 2,000 may be designated as "urban."

Clearly the reliability of secondary data is questionable when researching across national boundaries.

## **PRIMARY DATA**

While more reliable, the collection of primary data also poses distinct challenges for the researcher working in a cross-cultural setting. The data gathered by the standard tools can all be influenced culturally.

The researcher must question the results in terms of problems which may have occurred as a result of the measurement methods and the actual instrument used. In addition, erroneous information may be the result of cultural influence on the methods and instruments.

Let's take a look at some of the hazards that can jeopardize cross-cultural data collecting techniques.

## **THE PERSONAL INTERVIEW**

Remember that culture is like water to a fish -- only noticed by the fish when it is missing. When using the personal interview for research cultural bias is a constant danger. Presuming that the foreign interviewer has not succumbed to their own Self Reference Criteria, the data gathered may be laden with errors.

A cross-cultural interview must be carefully constructed for methodology, sampling, and the instruments which are to be used. Analysis of the data must also be conscientiously undertaken in light of cultural influence.

## **TELEPHONE INTERVIEW**

It is amazing how invisible and supportive telephone infrastructure is in most Western nations. We hardly take a second thought about telephone books and operator assisted information. The intricate system of telecommunications is such an integral part of Western life it is often taken for granted that the rest of the world is also wired.

The reality is far different.

Most developing nations have few, if any of the telephone services upon which we have become so completely reliant. Telephone penetration may be as low as 10% as it is in the Philippines, or perhaps as high as 60% in Mexico City. Poland has a ratio of less than 9 telephones for every 100 people. Millions of people are on waiting lists for installation. These samples are representative of vast segments of the emerging nations of the world.

In most non-Western regions -- Latin America, Russia, China, Africa, the Sub-Continent -- it must be presumed that telephone infrastructure will not be sufficient to conduct quality telephone interviews. However, even if the systems are in place, culturally there are quantum obstacles to overcome when attempting to use the telephone.

Cultural barriers abound when it comes to using the telephone to conduct research.

- Chinese, Latins and Polynesians prefer not to conduct business on the telephone. It is much more appropriate to meet face to face. Remember they are a high context culture.
- Saudis consider their homes sanctuaries -- off limits. Besides, Saudi women are not permitted to talk to strangers, especially men.
- Mexicans are not accustomed to strangers asking personal questions. Response would be evasive or misleading when asked for information on the telephone.
- Many Asian cultures do not use the telephone for social conversation.

Research into the telephone infrastructure and how people within the cultural setting use the telephone is crucial before attempting any kind of telemarketing.

## **MAIL SURVEYS**

The Self Reference Criterion can once again prove unreliable when it comes to using the postal system for broad marketing research.

Hindrances to success include:

- Infrastructure limitations.
- Illiteracy. People can not read.
- Technical illiteracy. People don't understand the information presented.
- Poor education.
- Criminal activity
- High cost of postage.
- Inflexible postal system.
- Unreliable system. Delivery time may be weeks or months, or perhaps never.
- Lack of trust because relationship is not established.
- Unreliable addressing system.

Any one or combination of these types of obstacles can impede the successful gathering of reliable information. The data gained under these conditions will be corrupted, skewed or biased.

## **NO MAIL. NO PHONES. NO INTERVIEWS. WHAT'S A RESEARCHER TO DO?**

Crossing the cultural divide is no easy task. The combination of inadequate infrastructures and remarkably diverse cultural mores conspire to defeat the best efforts to gather reliable data. What can be done that is trustworthy?

In many situations, observation in conjunction with personal interviews is the most useful research technique.

After reviewing the hindrances to successful interviews listed earlier, one may wonder if it is possible to conduct a valid, fact finding interview? Yes it is. But it must be carefully constructed and conducted. Preferably by a national.

## **A WINNING COMBINATION - INTERVIEWS AND OBSERVATION**

While many researchers prefer quantitative data (that which is measurable), soft data, or qualitative information (that which is subjective), can be extremely useful.

Japanese managers believe that much can be gathered from a careful interview and observation of actual clients, customers, vendors and others involved in the system. A true "snapshot" can be developed from observations of the true behavior and responses by the consumer.

Hands on data gathering provides a unique "feeling" for those involved at the wholesale and retail levels. This process can neither be indiscriminate or careless. When methodically constructed and undertaken, the data acquired can provide a remarkably accurate picture of how consumers, vendors, wholesale people and manufacturers are actually responding to the product.

This information, used in combination with quantitative data such as units sold, location activity, shipments, inventory levels, and information on the competition can be useful in structuring marketing strategy when working in a cross cultural environment.

## **FOCUS GROUPS**

In addition to the individual interview, the focus group is another source of data. Long a staple of Western research, the focus group -- a selected group of individuals in a controlled environment -- is also a valuable tool in a cross-cultural setting.

As with other methods and instruments, the straight transfer from one culture to another is most unreliable. Comparable data simply will not result from such an exercise. The underlying cultural influences will permeate the data yielding skewed results.

## **OBSTACLES TO FOCUS GROUP SUCCESS**

Countless challenges face the focus group facilitation team when operating cross-culturally. Depending on the national setting, each research project will face its own unique set of challenges. These must be discovered, assessed, remediated and

implemented reflecting the cultural changes to secure the highest possibility of success. Here are a few issues that should be considered.

- Time. Experience shows that at least twice the time will be spent in a cross-cultural focus group session as opposed to those conducted in a domestic setting.
- Group participants may not respond to future scheduling. Because future commitments hold little value, in some situations they will need to be taken immediately to the session.
- Size of group will be influenced culturally. In the US 8 - 10 is acceptable. However, in foreign settings this may be as low as four to six people. This obviously lengthens the time process.
- Payment may be required in some situations. In other settings a luncheon or dinner may be required for the participants to get acquainted.
- Straightforward discussion of issues is not acceptable in many cultural settings -- especially with strangers. Honest answers may be hard to come by in such an environment.

#### **MORE OBSTACLES TO FOCUS GROUP SUCCESS.**

- Disagreement may not be considered polite. This would prohibit individual opinions which may be in contradiction one with another.
- The need to comply with the group may be culturally overwhelming. The contrast between Asians and North Americans in this regard is glaring.
- In Latin cultures commitments to future schedules are not binding. Perhaps one or two people will actually show up for the session out of 10 or more who had confirmed attendance.
- In some cultures the participants will bring friends and family with the expectations that they will join in the group discussions.
- If members of the clergy, political figures, government employees, military or police participate, other group members will be guarded or non-responsive.
- Western facilitators tend to be far less structured in an effort to create a relaxed environment. This may pose a problem in a culture such as Korean or Japanese that expects strong leadership in such settings.

A predisposition that what has worked in other cultural settings will also work in another locality is dangerous. Clearly culturally bound social mores that govern behavior in a group meeting will influence the process and the results.

Let's look at a few helpful tips in planning a cross-cultural focus group.

## **HELPFUL HINTS FOR CROSS CULTURAL FOCUS GROUPS**

To meet the goal of the focus group to acquire valid, reliable data regarding the product, service or organization here are a few helpful hints. When working cross-culturally with a focus group:

- Allow at least twice as much time to conduct the sessions.
- Be prepared to host advance dinners or luncheons to help people get acquainted.
- Group people by age, educational, social or cast level to avoid influence of someone from a superior social strata.
- Avoid the inclusion of any group member that may be feared or intimidate others. This would include military, police, clergy, etc.
- Use a national moderator to run the session. A national moderator with minimum training, will generally provide superior leadership to an expert foreigner. Training of the national is a key factor.
- Interactivity may have to be directed. Instead of a free flow of comments from participant to another, the moderator may need to direct questions to specific participants.
- Avoid a group of total strangers. Friends, family, and same level associates will provide a more relaxed and productive environment.

Experience has shown that foreign concepts and beliefs regarding group dynamics is most often in error. Remember that cultural social behavior has developed over scores, perhaps hundreds of generations. You cannot impose external expectations.

## **MORE HELPFUL HINTS FOR FOCUS GROUPS**

- Avoid grouping people together who do and do not use the product or service. Many cultural groups identify strongly with the product. Participants may avoid making comments about the product for fear of upsetting the other group member.
- The group moderator must be willing to “pull” negative comments from the participants. In many cultures to comment negatively would be impolite.
- Use of a moderator who is not a recognized or identified with the product or service being researched will add to more honest answers. Many cultures would find it rude to comment negatively about the moderators product or service.
- The facilitator must be ready to push through superficial, abbreviated, and non-committal answers. Nods and grunts of agreement may mean only that the question was understood, but not necessarily agreed with.

- The focus group should be led in an inviting, warm yet authoritative manner. Assertive communication may meet resistance as it will be perceived as rude, demanding, insincere, arrogant and perhaps ignorant.
- Educating the participants as to the objectives and process will assist in enabling them to be more responsive, cooperative and forthright.

The importance cannot be underscored enough of the need of inculturating the focus group process, techniques and instruments. You want every advantage possible to acquire vital, reliable data. This will strengthen your probabilities of that occurring.

## **WORDS AREN'T EVERYTHING**

The careful observer of a focus group will pay every bit as much attention to *how* things are said as to *what* is being said. Nonverbal communication is estimated at some 93% of the total communication that takes place. Observation of the context in which the information is being presented is essential to developing a comprehensive picture about a product, service or organization based on the expressed opinions and beliefs.

## **WARNING! DEFINITION, SELECTION, CONSTRUCTION AND INTERPRETATION ERRORS AHEAD**

### **DEFINITION**

How the research problem is defined is critical. Definition must reflect the culture in which the marketing is going to occur. Because custom and value weigh heavily on the reality of the definition, the problem must be stripped of its former cultural baggage, and take on the new culture.

A research study some time ago indicated that the French and Germans consumed more spaghetti than Italians. The problem had been defined in terms of the purchase of packaged spaghetti which was traditional in German and French shopping patterns. However, the reality was quite different. Italians consumed far more spaghetti when *bulk* buying was included in the definition of the research.

Definition must include consideration of the unique cultural diversity.

### **SELECTION**

Two areas of error may occur in the comparison and selection of sample groups.

1. A frame error may occur if the populations drawn from are different clusters from different cultural groups. The comparisons in this case will be a classic "apples and orange" scenario. All forty to fifty year old males living in urban centers are not of equal comparison value. This is especially true if one urban center is Sao Paulo, Brazil and the other is Ho Chi Min City, Vietnam.
2. A selection error may occur if the geographic sampling area cannot yield a valid sample. The actual sample, must indeed be a "sample" of the targeted group. Lack of infrastructure such as street addresses, telephone listings, limited

numbers of telephones (one to a person, a family, a home, a community, etc.), and transportation may all complicate the reliability of the sample to adequately represent the target population.

## **CONSTRUCTION**

Recognizing that behaviors, values and attitudes differ widely from culture to culture, the construction of the various facets should reflect an understanding of “equivalency.” Construction equivalency dictates the degree of change necessary in the concepts, functions and instruments to be used from one cultural setting to another.

In his “Handbook of Cross-Cultural Marketing” Paul Herbig explains the need for construction equivalency. A brief review is worth noting.

- **Concepts** - Do the abstract ideas, the concepts, expressed mean the same thing from one culture to another? This is a critical question when one considers concepts such as “family”, “clean”, or “savings.” For instance, to a parent in Japan cleanliness means changing a baby’s diaper two to three times more often than to a mother in the USA. A critical difference in marketing terms.
- **Functions** - Products which serve basically the same purpose may differ in their function from one nation to another. The function of the product within its cultural setting should be considered when gathering marketing data. Herbig notes that, “Refrigerators are used to store frozen foods in some countries and to chill water and soft drinks in others, in certain markets, they serve as status symbols and are prominently displayed in the home, often in the living room.” A striking example of need to review functional equivalence.
- **Instrument** - When comparisons of market characteristics across cultural lines are important, the equivalence of the instruments is essential. Scales -- seven point in the US and 10 to 20 in many European nations, response categories and the structure of questionnaires must be identical across cultural lines for reliable data.

## **INTERPRETATION**

Potential hazards in cross-cultural research also lie in the interpretation of definitions, social issues, emotion, and statistical measurements.

- **Definitions** - In parts of Europe beer is not considered an alcoholic beverage, in the North America it is. In Australia a napkin is what Americans call a diaper. Supermarkets in Indonesia often are in high-rise buildings and sell a wide range of retail merchandise other than foods; not so in the US. Definitions must be clearly interpreted.
- **Social Issues** - Sex, money, women, men, alcohol, and a wide range of other issues have broadly different social controls from one cultural setting to another. Sex is taboo as a subject for discussion openly in India, Saudi Arabia and other nations. Not so in many Western countries. Interpreting the social issues accurately is essential.



- Emotion - Finns are stoic, Germans are orderly, Italians are demonstrative and Latins are effusive. While these are broad generalities, cultural emotions are complex and must be taken into account when interpreting responses.
- Statistical Measurements - The results of survey and interview work must reflect cultural equivalency in its interpretation. Instruments must mean and measure the same thing following translation. Meticulous attention must be given to assure reliable data.

## **INVISIBLE DANGERS**

Cultural bias lurks in every detail of the international marketing process. It is inescapable, often invisible, and many time unexplainable. It's just the way things are. And, it can devastate the best efforts of the giants of commerce, as well as be the undoing of the international entrepreneur.

Significant dangers lurk at every turn from unwilling respondents to over-eager respondents. But, to those who take the time, spend the money and make the effort success is possible.

Herbig tells the story in "Handbook of Cross-Cultural Marketing" of the success of Proctor and Gamble's efforts to sell diapers in Japan. They discovered that Japanese mothers, concerned about cleanliness, change their children's diapers more often than American mothers. Taking that information to heart, P&G developed Ultra Pampers which were more absorbent and made frequent changes less messy.

Kentucky Fried Chicken also benefitted from careful research in Japan. KFC became trendy and up-scale. The menu reflected local taste for corn salad, french fries, less sugar in the coleslaw, fried fish, and smoked chicken.

Travel to Taiwan and you'll find Pizza Hut doing well despite incredible traffic congestion. Deliveries are made on special scooters and within a limited area. Domino's Pizza also came to the same conclusions in Japan when faced with the same type of problems. A willingness to adapt the menus to the local pallet, develop new ways to deliver the product and still provide prompt delivery provided a winning formula.

Success goes to the flexible and informed.

## **FINAL HELPFUL HINTS FOR CROSS CULTURAL RESEARCH**

- Use a limited vocabulary
- Use short, uncomplicated sentences
- Use familiar words
- Avoid idioms, colloquialism and slang
- Be relevant to the cultural setting
- Back translate all materials -- translate into host language, have another translator translate it back into the original language, compare for errors. Repeat until there is an accurate back translation.
- Incorporate the use of nationals
- Pretest all instruments

- Be patient.
- Be flexible.

An American businessman meets a prospective customer for the first time. He politely refuses coffee as he has just finished breakfast. After taking his seat he nonchalantly crosses his legs exposing the bottom of his shoe. He then passes the promotional material to his prospective customer with his left hand while inquiring as to the health of his hosts' wife and children. In an effort to persuade the prospect the American assertively pursues the deal. Within minutes of entering the executives office the meeting is terminated without the American acquiring a new client.

Why?

The American has committed at least five cross-cultural mistakes within this Saudi Arabian setting. Refusal of hospitality, exposing the bottom of the foot a sign of disrespect, using his left hand which is reserved for handling ones genitals or cleaning up after defecating, inquiring about family matters which are considered very private, and pushing hard to close the deal on the first encounter -- each could have been avoided with minimal research.

## **LAYING SOLID FOUNDATIONS**

Conducting cross-cultural research is like removing a blind fold before entering a house of mirrors. It's still going to be a challenge, but you will have a far better chance of finding your way through the maze.

Cross-cultural research lays a strong foundation upon which sound strategies for advertising, promotion and public relations can be built. Laying a sure foundation is essential to a trustworthy structure. The broader, deeper, more solid the foundation, the more substantial the structure can be. A broad, deep and solid foundation of cross-cultural research will provide the opportunity to build significant market share.

Ancient wisdom says, "A wise man digs deep and lays the foundation of the house on solid rock, not shifting sand."

## 5. Presenting The Message

### THE MARKETING MIX

To achieve success in the market place a company must out perform its competition in how it satisfies its customers needs. Having identified not only the customer's needs, but also the core product benefits that will meet those needs, a strategy to reach the identified market must be established. To accomplish this a blend of elements must be brought together. This blend is called the "Marketing Mix."

The Marketing Mix is the complement of controllable, tactical marketing components used in concert to produce a desired response from a target market.

The Marketing Mix for a company doing business in Switzerland where there are four distinct native cultures -- German, French, Italian and Romansch -- will be very different from that of Japan which has one dominate cultural group.

### The Six "P's" of Marketing

Oh no, not another set of letters to remember!

Traditionally the mix of marketing elements is understood in terms of four P's -- Product, Price, Place and Promotion. To these let's add Presentation and People.

Product, Price, Place, Promotion, Presentation, and People. The system can be developed around these six "P's."

Let's take a brief look at each.

**PRODUCT** - Yes it's nice, but I don't want a left handed, glow-in-the dark back scratcher for sensitive skin.

For the marketing system to function there must be a product or service that answers to a real or perceived need in the marketplace. If that product or service does not answer to either a real or perceived need in an individual's mind, there is in fact nothing to which the audience can respond.

To motivate the public to respond in the desired manner requires that felt needs (or client perceived needs) be addressed. Is what we are offering our audience, something for which they understand or sense they have a need?

Nabisco found that the Japanese market didn't want or need a sweet Oreo cookie. When the sugar content was reduced Japanese consumers still were unimpressed with the flavor. They preferred the wafer without the creme. Nabisco produced a product answering the felt need of the market and launched the Petit Oreo Non-Cream Cookie -- single wafers without the creme.

**PRICE** - Why can't I find a price on this thing? What does this bar code thing mean anyway? All I want to know is, "how much is this going to cost me?"

Suffice it to say that a good product, well packaged, readily accessible, is not going to sell, regardless of the advertising and promotion, if the price is not set at fair market value. We all want to know the price.

In structuring our communication we must ask, "What is the price that we are asking our audience to pay? Is it fair? Will they pay it? Should it be less or more?" Price not only needs to be appropriate, it must also be in line with the perceived value the customer hold of the product.

Levi's 501 jeans were perceived as a high fashion item when first introduced in Spain. As such, 501s commanded a far higher price than other European markets. While the cultural setting may impact the perceived product value, it rarely impacts the fact that customers will not pay more than the perceived value.

PLACE - It's at the back of the store, just down aisle number 51, turn right at the bikes, and left at the tennis shoes. You'll see it right there by the blue baby bibs on the bottom shelf.

Of course, once we have a product or service that answers a need, and it is packaged well, the product's acceptability will be enhanced only if it is accessible. Poorly placed, inaccessible, distracting surroundings, and inconvenient availability each hamper the effectiveness of the presentation and impair communication about the benefits of the product.

If communication is diluted or non existent the audience fails to have the opportunity to evaluate and respond to our message resulting in lost sales.

We must be careful to place the product and our messages where our prospects are located.

In many nations point-of-purchase displays work well in a self-service environment. However, in developing nations, individual attention by shop keepers and their employees often renders point-of-purchase selling inappropriate. Careful research of the selling environment will enhance sales potential.

PROMOTION - If it's the best, why not shout about it?

Promotion - 1: the act of advancing in position, being raised in rank. 2: the act of furthering the growth or development of acceptance of something through advertising something, 3: the furtherance of the acceptance and sale of the merchandise through advertising and/or publicity.

Webster's Collegiate Dictionary

If we believe that we have a product or service worthy of others' acceptance, then integrity requires that we do all in our power to position it within our audience's mind in the highest rank possible. Stewardship of what has been committed to us requires that we further its growth and development through all appropriate means available.

The objective is for the promotional and advertising materials to persuade the prospective user to seek out what you are offering and to bring them to the point of responding in a desired manner.

Cross cultural promotion efforts can easily fall victim to the Self Reference Criteria. While money back guarantees are a strong incentive in the United States the opposite is true of Hispanic culture. The Hispanic view is that the product must be inferior or cheap if the company is offering a money back guarantee.

**PRESENTATION** - You can sell almost anything once if it is packaged and presented well.

In addition to placing product well, it must be presented in a way that maximizes the benefits and minimizes the deficiencies in a positive and favorably aesthetic way. It's true that you can sell almost anything once if presented well. However, if the product or service offered is of genuine value, you can sell it several times — perhaps even for a lifetime. If the product or service is poor, the customer simply will not come back. Never the less, outstanding presentation is essential to that first sale.

Excellence in presentation is one of the key communication principles. Presentation includes packaging, displays, how the product is positioned with other products, the environment in which the product is shown, and all the subtle and bold actions taken that contribute to the audience perception of quality, distinction and superiority.

A Johnson and Johnson new baby care product was not well received in Poland because it was shown in the context of a maternity ward of a hospital. Polish women only deliver babies in a hospital if they or the baby are critical ill. The product presentation missed the target because cultural differences. The same product presented in the same context in the United States would have a positive reception.

Finally ... marketing deals with the key elements of people.

**PEOPLE** - Making the whole system work...Most of the time.

Throughout this marketing system, people will be involved. They will make either a positive or negative impact on your prospective audience. It is critical to keep in mind that every individual involved in the process is presenting — or should be — an image of quality, care, and concern that makes the potential customer feel that he can trust those with whom he is doing business.

How are those involved with our message doing? Do they know their role? Can they articulate the message? Do they know the message?

These questions take on major significance when an organization is working cross culturally. In the US a sales call may require two visits from a general sales person. In another cultural setting the same sale may require several meetings, each with a progressively more important person representing the company. In Malaysia Electrolux averages five sales demonstrations to close the sale. However, in the Philippines the same sale will take an average of 20 demonstrations.

So we have six "P's."

We have Product, and the Presentation of that product must be in a Place that is accessible. It must be Priced appropriately and it must be Promoted with a persuasive message designed to impact attitudes about the product or service to "get the customer to open the door." All of these elements need to be undergirded by People who have been selected to represent the product in the most favorable way possible.

The Six P's of Marketing from the customer's side of the equation.

Each of the marketing mix P's focuses on the organization's view of the marketing tools needed to succeed in the market-place. But, whether domestic or foreign, equally important is the customer's view of these critical components designed to present the product benefits to the target audience.

- Product -- Customer needs and wants
- Price -- Cost the customer will pay to satisfy their needs and wants
- Place -- Convenient location the customer can purchase the product
- Promotion -- Communication with the customer
- Presentation -- Characteristic benefits understood about the product
- People -- Contact with the customer

Ancient wisdom says,".....The way of a fool seems right to him, but the wise listen to advice... Those who cherish understanding prosper."

## **6. Advertising**

### **CULTURALLY BOUND AND HIGHLY VISIBLE**

With international advertising revenues racing toward the \$650 billion target by the year 2000, its strategic role is unquestioned. Whether in a highly sophisticated culture or one of the fast emerging nations, advertising paves the way for the sales force, establishes distribution channels, and builds product awareness and good will.

Advertising is characterized by three primary key components:

1. It is a paid presentation of the product or service.
2. It is non-personal in the nature of the presentation.
3. It utilizes the mass media to platform benefits.

### **THE LURE OF STANDARDIZATION**

With the ever rising costs of advertising, Standardization presents a strong appeal to those controlling the finances. Standardization is advertising that is virtually the same from one cultural setting to another. And, while it can be accomplished successfully, it is extremely risky because advertising images are culturally linked, carrying powerful non-verbal messages.

Standardization seeks to use advertising with no change to the visual, editorial or thematic content. In some instances advertisers attempt to produce advertisements which use a common language from one nation to the next.

While this is usually not successful because it reduces the potential for comprehension of content, the exception is MTV. With more than 200 advertisers, European MTV has unified its advertising around English based campaigns in some 28 nations.

### **CONSIDER THE COST**

Standardization of advertising campaigns is best avoided when:

1. The complement of national or ethnic markets are at differing stages of maturity.
2. The creative content requires exceptionally large budgets to support a sustained campaign.
3. Local laws, regulations, customs or mores may be potentially violated.

The commonality of visual, editorial and thematic elements from one cultural setting to another is extremely limited. The cost of standardization is very enticing until the cost of failure is also considered.

## **ADAPT OR DIE**

Pure standardization is rarely successful. Even the giants like McDonald's and Coca-Cola cannot swagger into a market without adapting their message to the local culture.

Coke's "Can't beat the feeling" became "I feel the Coke" in Japan. And, McDonald takes on a unique Aussie feeling in Australia with the inclusion of its local identity as "Mackers" with visuals reflecting distinctive Australian locations and people in its TV ads.

Successful advertising must reflect to a significant degree the society to which it is speaking. When this is accomplished well, the advertising has a higher probability of success.

## **CONTEXT CAN MAKE THE DIFFERENCE**

High context cultures -- cultures that rely on the context of the message as much as the message itself to convey information -- perceive low context advertising as aloof, cool, uncaring, even contemptuous of the audience.

On the other hand a low context culture such as Germany, that expects little contextual baggage with its messages, finds the emphases on touching, scenery, people, children, pets and so on as "odd." They don't seem to "get it" because the richness of the context gets in the way of the clarity that comes with an emphasis on performance and data.

To be successful, a California wine advertised in Spain and in Germany must take into the consideration the vast contextual differences between these two nations. Construction of the visual, editorial and thematic content will be significantly different between the two regions.

## **WORDS, MOTIONS AND SYMBOLS**

Language, with its direct links to context, is also a primary factor in successful cross cultural advertising. Language dependant communication must reflect the high or low context needs of the culture.

Body movements and motions must also be carefully considering. When attempting to communicate across the cultural divide. The sole of the foot to the Arab can be highly insulting, the finger to the chest indicate the need to bathe to the Japanese, and public kissing is a disgrace to the Indian.

Add to language and body motion, symbols. Dragons may be a terror in the west, but a good luck symbol in Asia where white is the color of death and four an unlucky number.

Advertising is the key to international marketing. But, like so many keys, it can both unlock and lock the doors to success depending upon its intelligent use.



## **EXCUSE ME BUT YOUR CULTURE'S SHOWING**

The interpretation of images and symbols is a product of our culture. And, each culture has its set of accepted public and private symbols that have meaning and value. The international marketer must tread carefully into this arena avoiding the self referencing criteria which can prove embarrassing, and sometimes disastrous.

Parker Pen could have avoided a marketing and public relations nightmare by conducting a little research prior to a new product release in Latin America. To the company's embarrassment they discovered too late that the "Jotter" pen translated the "Jock Strap" pen in Spanish.

Est'ee Lauder escaped a potentially embarrassing situation when it discovered that its "Country Mist" makeup translated into German meant "Country Manure." The company wisely introduced the product as "Country Moist."

Research, research, research. It may seem expensive on the front end of the project, but the alternative of a major public embarrassment is far more costly -- financially and in the arena of public perception. A cost from which the company may not recover.

## **RULES, REGULATIONS, REGISTRATIONS, AND REGIMENTATION**

Somewhere, right now, there is a rule or policy lurking, just waiting to limit, control or restrict your marketing creativity. And that rule will, more likely than not, be under the control of some local bureaucrat in the nation where you want to introduce your new product.

Never take for granted that freedom -- or lack of freedom of public expression is the same from one culture to another. Germany, Italy and Belgium forbid comparative advertising; you will only have 32 minutes each evening of TV ad time to use in Kuwait; there's no guarantee of airing of purchased ad spots in Italy; pharmaceuticals cannot be advertised in Belgium; you won't be able to use superlative descriptions in the mid- east; showing the tongue is considered pornographic in Arab countries; and plan on using a local agency if you're going to advertising in Indonesia, Nigeria or Pakistan.

Bottom line: Don't take anything for granted. Again, protection lies with good, solid research that influence the advertising strategy.

## **MAKE IT A TRULY TEAM EFFORT**

International advertising, to be successful, requires the marketer to be thoroughly committed to communication reflecting the local setting. As noted earlier "Glocalization" is a key mind set for success.

The ability to function with an eye on the big picture while at the same time exercising a national sensitivity is essential. Whether it be in the message content, the visuals, editorial structure or thematic creativity the combine communication must be meaningful to the local audience.

Incorporate local creative people, writers, advertising, marketing and media professionals into the national team. Together you can produce advertising that will pave the way for success.

Ancient wisdom says, "Preserve sound judgment and discernment, do not let them out of your sight, then you will go on your way in safety and you will not stumble."

## **7. Sales, Promotion and Public Relations**

### **SCRATCH, SNIFF, CLIP AND MAIL**

Sales promotion includes games, coupons, special pricing, point-of-purchase displays, refunding, contests, trading stamps, sweepstakes, discounting, sponsorships, and public product demonstrations. In short, sales promotion is everything other than advertising, direct selling and public relations.

Sales promotion is reliant on solid, effective mass media advertising coverage. Successful sales promotion efforts require a structured retail network within the targeted national environment. However, even with a well developed retail system cultural differences will dictate the nature of the sales promotional efforts.

### **SOME CLIP AND OTHERS HAGGLE**

The intricacy of a culture influences the type of sales promotion tools that will be effective.

In a culture that incorporates bargaining or haggling over prices, couponing and price-off schemes have little success and are often abused. In cultures where delayed gratification is the norm, redemption stamp programs show strong return. Money-back guarantees are often viewed with suspicion by Latin communities who presume the company has a hidden agenda.

In less advantaged nations, direct mailing of samples may prove disastrous. In Poland mail boxes were destroyed as people stole P&G's free samples of Vidal Sasson Wash & Go shampoo samples to sell on the black market.

### **BEWARE! UNMARKED ROAD AHEAD!**

Complex is an understatement when describing promotional sales efforts in a cross cultural setting. Legal restrictions vary vastly from one nation to another impacting sweepstakes, contests, direct mail, sampling, couponing, and most all promotional programs used in the West. In some cases the impact can impact budgets significantly.

In some European countries unfair competition laws radically curtail promotional efforts involving giveaways, boxtop and direct mail coupons. In Germany in an effort to promote fair competition promotional efforts are often required to continue as a consistent policy for a minimum of a year. And, in Mexico special promotional efforts offering discounts at the point of sale require government approval.

### **STRUCTURE. WHAT STRUCTURE?**

In developing nations there often is not the sophisticated systems necessary to support traditional promotional efforts. Nations with a high illiteracy rate are not good candidates for couponing and often scattered, independent, modest retail outlets are inexperienced in marketing proficiency. These pose major challenges to the marketing manager attempting to roll out a new product.

In addition, promotional programs such as direct mail and related campaigns require a sophisticated printing industry and postal service to support large distribution. In those regions where the systems can support a promotional effort, there is also the additional weight of understanding what gifts, prizes and awards are culturally appropriate. This in itself is no small challenge.

## **THERE IS HOPE**

While the obstacles are monumental, the rewards can be equal to the challenge. But you better do your home work. P&G did and had great success in China.

Shampoo and detergent sales roared to a whopping \$450 million, a 50% increase over the previous year when P&G used the unique cultural habit of individual personal attention to customer in Asia. P&G hired thousands of workers to pass out samples door to door taking appropriate advantage of the Chinese expectation of individual attention, and the yellow and orange gift packaging reflected cultural awareness to color. P&G's astute cultural sensitivity has resulted in its dominate position as the largest consumer products company in China.

## **OPENING THE LOCK**

Part of the combination that will open the lock is quality research. A quality product, supported by research, teamed with first class creative work, supported by culturally sensitive advertising and promotion is a winning combination.

International marketing is not easy. And, cross cultural promotional efforts face major obstacles from local and national legal restrictions, poor communication infrastructures, and wide spread lack of marketing proficiency. But, it can be done.

## **PUBLIC AND MEDIA RELATIONS**

"It ain't that people don't know so much, but that they know so much that ain't so." Will Rogers, American humorist

When a company steps out of its home environment it will encounter the preconceived impressions -- both good and bad -- held by the host culture. These opinions often reflect not only the view of the company and its products, but also the culture it represents.

While in some sectors companies from the United States may be looked at positively, other cultures may have a negative impression based on moral or religious differences. Other nations may be viewed as producing inferior products, while the impression of the Swiss or Germans carries a superior image in the automobile and watch industry.

Often perception is greater than reality -- especially in the arena of public opinion. Whether positive or negative, the role of public relations is essential when marketing cross culturally.

## **TAKE NOTHING FOR GRANTED**

Public relations is planned, persuasive communication designed to influence significant publics. This is a big challenge when working in one's home cultural, it can be massive when working trans-nationally. Freedom of the press as known in most western countries is rare in other cultures. The international marketer must carefully evaluate the nature of the media in the host culture.

The center of power in a totalitarian state is also viewed as the seat of truth. China's communist controlled press therefore reflects this thinking. Government's "face" is far more important as a result than the consequences of its actions.

A little research into the political structures will help shape a successful campaign.

## **SHAPING THE IMAGE**

When the public encounters your product, service or company they will begin to form an opinion. The impression they hold can be shaped by you or others. If you don't communicate about yourself, someone else will. Its imperative that you be the primary architect of what people think of your product, service and company.

Public relations is not accidental and must be carefully planned. Three key words mark effective public relations:

Persuasive - Targeted - Management

## **PUBLIC RELATIONS IS PERSUASIVE**

It must be persuasive because you want someone else to do something or to believe something. However, you must keep in mind that how people are persuaded varies widely from culture to culture.

The Japanese are private and self-effacing as a people. Secrecy and exclusivity mark their corporate structures and management organizations. In addition reporters typically are members of media clubs assigned to specific industries and corporations. They are dependent on their working relationships within the companies for information. They are not independent of the system but rather dependent upon it. Western objectivity is of minor importance.

Persuasion will not be accomplished by communication which appears self serving or boastful in a Japanese environment. Neither can it have the appearance of being critical or to reveal private information. Other means must be discovered to utilize public communications to establish a positive image. This will differ from nation to nation.

## **PUBLIC RELATIONS IS TARGETED**

Public relations must communicate to particular groups of people rather than to scattered individuals. Public relations can be considered as the art of making your

organization liked and respected by its employees, customers, vendors, constituency and the general public.

Entering a host culture may require as much work on establishing a positive image amongst company personnel as amongst a specific targeted customer base. The need to be selective in targeting communication is increased when entering a foreign culture. It requires careful research to discern critical arenas of influence necessary to public acceptance.

## **PUBLIC RELATIONS IS A MANAGEMENT FUNCTION**

The role of public relations on the international playing field is essential. It should be a management function operating as a strategic element in the overall plan. Public relations evaluates public attitudes, identifies the policies and procedures of an organization with the public interest, and executes a program of action (and communication) to earn public understanding and acceptance. Success in these endeavors requires the authority to implement research, action plans and communication efforts on behalf of the company.

## **PLAYING THE MEDIA GAME**

A clear differentiation needs to be made between merely waiting for the media and aggressively pursuing news and feature stories by developing important "newshooks" or angles about your operation.

These specific angles or pegs upon which you can hang your story are not necessarily the most important thing about your operation, but they serve as a springboard upon which your entire story can be told.

Too many organizations approach the media asking, "Will you publicize our event or promote our products?" Instead, you have to approach the media saying, "I have something of interest to your audiences." To do this, translate your story into traditional news values that they understand within the cultural context.

Remember what is important to the public at home, may not be of interest to the host audience.

## **NEWSHOOKS**

The following are some general examples of "newshooks"

- A leading politician will be making an announcement about safety legislation at your company's offices. Your plant has a perfect safety record.
- Representatives from your organization are volunteering to spend half of their vacation time in service to help local residents build a park for children.
- Your product has won several international design awards. The national workers in the factory are "heroes" to the city -- perhaps the nation.
- Representatives from your organization are recognized for their charitable contribution to local civic organizations.

- The leadership of your firm's operation within the country is turned over to a national manager.
- Your company has created new jobs for an area hit by high unemployment.
- National employees are provided special honor and training for outstanding performance.

Remember that the objective is to increase positive public understanding regarding your product and company within the national and cultural setting. Focus on what your company or product is doing for them.

## **CONTEXTUALIZE YOUR STORY**

Some of the "news hooks" can be expanded into a full feature story on you, your organization, product, or a business philosophy as it relates to the host culture.

Localize your releases. You can provide a localized version of an event in a remote location by identifying a local participant in that event. Big event in Seoul Korea. No interest in general to Melbourne, Australia. But if Melbourne people were involved it may get some coverage.

Get to know the media in your community — take an editor to lunch, invite them to your facilities etc.

Bring the public and press to your organization's facilities for special occasions. Make those occasions newsworthy by inviting local and national officials or celebrities.

Position yourself as a friend and resource to the local media. If your company is highly specialized you may be able to provide expert insight to help the media report on special issues. As a guest in the country maintain a humble attitude. Seek to serve the interests of the local media and they in turn will be more inclined to server your objectives in terms of positive news coverage.

## **TAILOR MADE TO FIT THE CULTURE**

Public and media relations provide information, news, and feature material about an organization or person. This must be tailored to meet the unique cultural requirements in which you are attempting to market your product or service. In utilizing publicity for your organization, action is required in striving for three objectives within the cultural environment:

1. To attract attention in a favorable way to your organization, product or service.
2. To win belief that this is a viable and worthwhile organization, product or service.
3. To impart understanding about the organization, its products and services.

The communication needs to fit the culture like a glove.

Finally, the best public relations is the organization itself, its product and services. Key people within the organization may be the only aspect of the firm that the public within

the host culture ever sees. Make sure that they always endeavor to put their best foot forward! You will be surprised at the results.

Ancient wisdom says, "Every prudent person acts out of knowledge, but a fool exposes his lack of understanding."



## 8. Conclusion

For those companies looking to expand their market, the world is now at their doorstep. Never before has opportunity been in such abundance. With the rapid globalization of world trade, new opportunities -- and challenges -- abound. However, international marketing is far more complex than the simple exportation of successful domestic product.

Success in the international arena can be directly related a thorough understanding of the host environment. Cross cultural challenges abound. Virtually every aspect of the marketing system must be carefully reviewed in light of the local cultural setting.

Unexpected pitfalls are everywhere and the differences between national values, morals, customs and traditions permeate every aspect of life.

The simplest cultural practices reflect the often perplexing cultural differences faced by the international marketer. While you may enjoy a fresh minty tooth paste, your counterpart in the Middle East appreciates a spicy, bracing flavor. Black shampoo is the choice for Filipinos, and the French can't quite understand why anyone would drink orange juice for breakfast.

Effective transnational marketing reflects an understanding that culture is functional. It provides guidelines for behavior that are crucial for the survival of the group. The social nature of culture arises out of human interaction and is unique to human society, defining acceptable behavior.

In addition international marketing appreciates that culture is the result of acquired behavior learned from other members of the society. Practices are adjusted to accommodate behaviors acceptable in one culture yet not acceptable in other cultures.

Critical to the success of international marketing is the recognition that culture provides values and tells people what is expected of them. It enforces and reinforces what is good and bad according to the society. Those hoping to gain significant market share incorporate these principles into their strategic planning.

The development of the marketing mix is shaped by building on the knowledge that culture facilitates communication within a common set of perceptions. And, it is constantly changing to adapt to new situations and new sources of knowledge.

Contemporary cultures have resulted from thousands of years of accumulated experience and knowledge. Cultural values are deeply ingrained and exist and while society may change outwardly, core values rarely change.

Understanding the unique perceptions, values and needs of a culture other than one's own is perhaps the most difficult task of conducting business in an international setting. The international marketer must appreciate that when a product satisfies the diverse needs or wants of the firm's customers, it does so in the context of that particular culture.

Cross-cultural differences include, but are not limited to, language, nonverbal communication, religion, time, space perception, color, numbers, materialism, manners and customs, aesthetics, status consciousness and food.

It is the complexity of these differences, combined with the unique characteristics of each culture that we encounter when we step into another's nation.

While MTV, Nike, Pepsi and Mitsubishi may be uniting us globally, the reality is that we are all still extremely culturally bound. The perception of global convergence is only true in part. Actually divergence is more the norm. Values are not collapsing toward a common middle ground. Culturally people are tenaciously holding on to their ethnic identities and core values. These can rarely be violated in the marketing arena.

While lifestyles may homogenize the masses, ethnic identity rises to unify individual cultural groups. This unification is along deep, core values and are deeply rooted in religion, language, art, literature, music, dance, and family. These values shape the cultural identity, providing integrity and definition of the self within the ethnic community.

Standardization of marketing strategies across cultural boundaries is highly risky. Adaptation while a great idea, is cost prohibitive resulting in the need to glocalize -- think global. Act local.

Glocalization seeks to unify the strengths of adaptation and standardization. In matters that are strategic there may be a standard, global approach. While tactical issues of implementation are left to the local leadership to provide culturally relevant editorial, visual and audio direction. Glocalization seeks to create international strategic marketing direction, while also providing local implementation and application.

The inclination to measure the world around us by our personal understanding of that world seems common to each of us. This unconscious reference to what we believe about a particular situation within the context of our culture is called the Self Reference Criterion (SRC).

The use one's self -- either personally or corporately -- as the primary reference point is arrogant. It leads to assumptions based only upon a narrow foundation of data, and almost always has negative consequences.

The cost of cultural ethnocentricity can be extremely high. To not recognize the destructive force of the Self Reference Criteria is fatal flaw for anyone wanting success on the international field of commerce.

Research, prepare, study, discover all you can about the cultural setting into which you are going. Everything of importance will be culturally bound. There will be few, if any, significant matters that will be perceived by your host the same way you see them.

The majority of mistakes made on the field of international commerce are the result of ineffective or non-existent research. Research will not guarantee success. What it can do is provide leadership with insight into the cross-cultural setting and assist in the structuring of the pivotal communications tools required.

As noted earlier, conducting cross-cultural research is like removing a blind fold before entering a house of mirrors. It's still going to be a challenge, but you will have a far better chance of finding your way through the maze.

Laying a sure foundation is essential to a trustworthy structure. The broader, deeper, more solid the foundation, the more substantial the structure can be. A broad, deep and solid foundation of cross-cultural research will provide the opportunity to build significant market share.

Careful research of the foreign market environment, and review and implementation of the marketing mix is indispensable when operating cross culturally. To achieve success in the market place a company must out preform its competition in how it satisfies its customers needs.

Whether at home or abroad "The Six "P's of Marketing" help to shape the marketing mix. We have Product, and the Presentation of that product must be in a Place that is accessible. It must be Priced appropriately and it must be Promoted with a persuasive message designed to impact attitudes about the product or service to "get the customer to open the door." All of these elements need to be undergirded by People who have been selected to represent the product in the most favorable way possible within the local cultural parameters.

The lure of standardization impacts the essential elements of the marketing program -- advertising, sales promotion and public relations.

Advertising messages, sales promotion endeavor, and public relations campaigns which attempt to force themselves upon a local culture through ineffective standardization are doomed to failure.

Successful advertising, sales promotion and public relations work must reflect the society to which it is speaking. Globalization. When this is accomplished well, the advertising has a higher probability of success.

International marketing must also consider a labyrinth of regulations, restrictions, and national and local government controls. The best laid plans, no matter how culturally sensitive, can be of no use if the host system is not accommodated.

Trade restrictions, embargoes, tariffs, and the general political and legal environment will also need to be considered before entering into a foreign market. Coca-Cola abandoned its plans to expand into India as a result of a government policy that would require the company to reveal its secret formula. A little research in this area well before gearing up, can save a lot of time, money and creative energy.

Global marketing requires a global mind set. A way of thinking that understands the nuances of working trans-national is essential. A great product on the home front is no guarantee of success in a cross cultural environment.

A final story underscores the need for careful planning built on a foundation of thorough research.

In an attempt to enter the Spanish market, the Perdue Chicken tag line, "It takes a tough man to make a tender chicken," was translated, "It takes a sexually excited man to make a chicken affectionate." Caught by surprise by the obvious blunder, Frank Purdue quickly shot a new spot. In the new commercial, he used his own appallingly inadequate Spanish and closed with, "It's a good thing for you that my chicken is better than my Spanish." A great recovery from a potential cross cultural humiliation and financial disaster scored big and won the audience.

International marketing holds great potential. Solid research, good planning, and generous measures of humility and self effacing humor are a must. With them, you can expand your borders, reap financial reward, and discover the joy of working with fascinating people around the world.