



4

Social and Cultural Environments

LEARNING OBJECTIVES

- 4-1** Define *culture* and identify the various expressions and manifestations of culture that can impact global marketing strategies.
 - 4-2** Compare and contrast the key aspects of high- and low-context cultures.
 - 4-3** Identify and briefly explain the major dimensions of Hofstede's social values typology.
 - 4-4** Explain how the self-reference criterion can affect decision making
 - at global companies and provide a step-by-step example of a company adapting to conditions in a global market.
 - 4-5** Analyze the components of diffusion theory and its applicability to global marketing.
 - 4-6** Explain the marketing implications of different social and cultural environments around the globe.
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CASE 4-1 Will Tourism Ruin Venice?

Venice is unique among the cities of the world. Located on the Adriatic Sea in northern Italy's Veneto region, Venice consists of more than 100 islands linked by a system of canals. Historically, the lagoon provided Venetians with a safe haven from Germanic and Hun invaders. In fact, the word "lagoon" itself originated in the local Venetian dialect. "Ghetto," "casino," "marzipan," "quarantine," and "scampi" are some other words that Venice has contributed to the English language.

Over the centuries, Venice became a vital commercial center for international trade, linking Europe with the Far East. Venetian prowess in manufacturing and commerce is legendary, and includes glassmaking and shipbuilding. In addition, Venice was an important artistic and cultural center during the Renaissance Era.

Today, the Germanic hordes are no longer a threat. However, Venice is threatened by modern invaders: Venice is tied with Barcelona as top cruise destination in the Mediterranean. Despite the recent economic downturn, giant cruise ships arrive each week. They slowly navigate down the Giudecca Canal before disgorging passengers eager to visit such famous landmarks as the Rialto Bridge, Piazza San Marco, Palazzo Ducale, and the Grand Canal. Locals complain that the ships



Exhibit 4-1 A cruise ship docks in Venice, Italy. Venice is a popular port of call for passengers on ships operated by MSC, Norwegian, and other carriers. Although Venice's economy is heavily dependent on free-spending visitors from around the globe, environmentalists and local residents worry that mass tourism is a threat to both the city and the surrounding lagoon.
Source: Manuel Silvestri/Reuters.

cause the windows of the palazzos that line the canal to rattle and shake. In 1999, only about 100,000 visitors arrived by boat. Now, more than 1,000 cruise ships and ferries dock at Venice's main passenger terminal each year. As a result, the number of visitors who come for short-term stays can swell as high as 100,000 people per day.

The conflicting priorities of commerce and conservation in Venice illustrate the ways that differences in the social and cultural environments impact marketing opportunities and dynamics around the globe. This chapter focuses on the social and cultural forces that shape and affect individual, group, and corporate behavior in the marketplace. We start with a general discussion of the basic aspects of culture and society and the emergence of a

twenty-first-century global consumer culture. Next, several useful conceptual frameworks for understanding culture are presented. These include Hall's concept of high- and low-context cultures, Maslow's hierarchy of needs, Hofstede's cultural typology, the self-reference criterion, and diffusion theory. The chapter also includes specific examples of the impact of culture and society on the marketing of both consumer and industrial products.

Clearly, Venice's cultural riches constitute a magnet for tourists. It remains to be seen, however, whether the rising tide of tourism and other commercial ventures is sustainable. You will have the opportunity to explore the issue in the continuation of this case on page 150. The discussion questions at the end of the case will give you a chance to reflect further on "lessons learned."

4-1 Society, Culture, and Global Consumer Culture

Both differences and similarities characterize the world's cultures, meaning that the task of the global marketer is twofold. First, marketers must study and understand the cultures of the countries in which they will be doing business. Second, they must incorporate this understanding into the marketing planning process. In some instances, strategies and marketing programs will have to be adapted; however, marketers should also take advantage of shared cultural characteristics and avoid unneeded and costly adaptations of the marketing mix.

Any systematic study of a new geographic market requires a combination of tough-mindedness and open-mindedness. While marketers should be secure in their own convictions and traditions, an open mind is required to appreciate the integrity and value of other ways of life and points of view. People must, in other words, overcome the prejudices that are a natural result of the human tendency toward ethnocentrism. Although "culture shock" is a normal human reaction to the new and unknown, successful global marketers strive to comprehend human

experience from the local point of view. One reason cultural factors challenge global marketers is that many of these factors are hidden from view. Because culture is a learned behavior passed on from generation to generation, it can be difficult for the outsider to fathom. However, as they endeavor to understand cultural factors, outsiders gradually become insiders and develop cultural empathy. There are many different paths to the same goals in life. The global marketer understands this and revels in life's rich diversity.

Anthropologists and sociologists have offered scores of different definitions of culture. As a starting point, **culture** can be understood as “ways of living, built up by a group of human beings, that are transmitted from one generation to another.” A culture acts out its ways of living in the context of *social institutions*, including family, educational, religious, governmental, and business institutions. Those institutions, in turn, function to reinforce cultural norms. Culture also includes both conscious and unconscious values, ideas, attitudes, and symbols that shape human behavior and that are transmitted from one generation to the next. Organizational anthropologist Geert Hofstede defines *culture* as “the collective programming of the mind that distinguishes the members of one category of people from those of another.¹ A particular “category of people” may constitute a nation, an ethnic group, a gender group, an organization, a family, or some other unit.

Some anthropologists and sociologists divide cultural elements into two broad categories: **material culture** and **nonmaterial culture**. The former is sometimes referred to as the **physical component** or **physical culture**, which includes physical objects and artifacts created by humans such as clothing and tools. Nonmaterial culture (also known as **subjective** or **abstract culture**) includes intangibles such as religion, perceptions, attitudes, beliefs, and values. It is generally agreed that the material and nonmaterial elements of culture are interrelated and interactive. Cultural anthropologist George P. Murdock studied material and nonmaterial culture and identified dozens of “cultural universals,” including **athletic sports, body adornment, cooking, courtship, dancing, decorative art, education, ethics, etiquette, family feasting, food taboos, language, marriage, mealtime, medicine, mourning, music, property rights, religious rituals, residence rules, status differentiation, and trade.**²

It is against this background of traditional definitions that global marketers should understand the following worldwide sociocultural phenomenon of the early twenty-first century.³ It has been argued that consumption has become the hallmark of postmodern society. As cultural information and imagery flow freely across borders via satellite TV, the Internet, and similar communication channels, new global consumer cultures are emerging. Persons who identify with these cultures share meaningful sets of consumption-related symbols. Some of these cultures are associated with specific product categories; marketers speak of **“coffee culture,” “credit-card culture,” “fast-food culture,” “pub culture,” “soccer culture,” and so on.** This cosmopolitan culture, which is comprised of various segments, owes its existence in large part to a wired world in which there is increasing interconnectedness of various local cultures. It can be exploited by **global consumer culture positioning (GCCP)**, a marketing tool that will be explained in more detail in Chapter 7. In particular, **marketers can use advertising to communicate the notion that people everywhere consume a particular brand or to appeal to human universals.**

Attitudes, Beliefs, and Values

If we accept Hofstede’s notion of culture as “the collective programming of the mind,” then it makes sense to learn about culture by studying the attitudes, beliefs, and values shared by a specific group of people. An **attitude** is a learned tendency to respond in a consistent way to a given object or entity. Attitudes are clusters of interrelated beliefs. A **belief** is an organized pattern of knowledge that an individual holds to be true about the world. Attitudes and beliefs, in turn, are closely related to values. A **value** can be defined as an enduring belief or feeling that a specific mode of conduct is personally or socially preferable to another mode of conduct.⁴ In the view of

¹ Geert Hofstede and Michael Harris Bond, “The Confucius Connection: From Cultural Roots to Economic Growth,” *Organizational Dynamics* (Spring 1988), p. 5.

² George P. Murdock, “The Common Denominator of Culture,” in *The Science of Man in the World Crisis*, Ralph Linton, ed. (New York: Columbia University Press, 1945), p. 145.

³ The following discussion is adapted from Dana L. Alden, Jan-Benedict Steenkamp, and Rajeev Batra, “Brand Positioning through Advertising in Asia, North America, and Europe: The Role of Global Consumer Culture,” *Journal of Marketing* 63, no. 1 (January 1999), pp. 75–87.

⁴ Milton Rokeach, *Beliefs, Attitudes, and Values* (San Francisco: Jossey-Bass, 1968), p. 160.

Hofstede and others, values represent the deepest level of a culture and are present in the majority of the members of that particular culture.

Some specific examples will allow us to illustrate these definitions by comparing and contrasting attitudes, beliefs, and values. The Japanese, for example, strive to achieve cooperation, consensus, self-denial, and harmony. Because these all represent feelings about modes of conduct, they are *values*. Japan's monocultural society reflects the *belief* among the Japanese that they are unique in the world. Many Japanese, especially young people, also believe that the West is the source of important fashion trends. As a result, many Japanese share a favorable *attitude* toward American brands. Within any large, dominant cultural group, there are likely to be **subcultures**; that is, smaller groups of people with their own shared subset of attitudes, beliefs, and values. Values, attitudes, and beliefs can also be surveyed at the level of any "category of people" that is embedded within a broad culture. For example, if you are a vegetarian, then eating meat represents a mode of conduct that you and others who share your views avoid. Subcultures often represent attractive niche marketing opportunities.

Religion

Religion is an important source of a society's beliefs, attitudes, and values. The world's major religions include Buddhism, Hinduism, Islam, Judaism, and Christianity; the latter includes Roman Catholicism and numerous Protestant denominations. Examples abound of religious tenets, practices, holidays, and histories directly impacting the way people of different faiths react to global marketing activities. For example, Hindus do not eat beef, which means that McDonald's does not serve hamburgers in India (see Case 1-2). In Muslim countries, Yum! Brands has successfully promoted KFC in conjunction with religious observances. In the Islamic world, Ramadan is a time of fasting that begins in the ninth month of the Islamic calendar. In Indonesia, home to the world's largest Muslim population, KFC uses Ramadan-themed outdoor advertising to encourage Indonesians to come to the restaurants at buka puasa, the end of each day's fast. Business at KFC Indonesia's 400 units is up as much as 20 percent during Ramadan.

When followers of a particular religion believe they have been offended, the response can sometimes be tragic (see Exhibit 4-2). In the aftermath of the September 2001 terrorist attacks in New York and Washington, D.C., and the subsequent American military actions in the Middle East and Afghanistan, some Muslims have tapped into anti-American sentiment by urging a boycott of American brands. One entrepreneur, Tunisian-born Tawfik Mathlouthi, launched a



Exhibit 4-2 In 2014, jihadist gunmen opened fire at the Paris office of Charlie Hebdo, a satirical weekly that had published cartoon images of the Prophet Muhammed. Seventeen people were killed in the attack.

Source: Richard Milnes/Alamy.

soft drink brand, Mecca-Cola, as an alternative to Coca-Cola for Muslims living in the United Kingdom and France. The brand's name is both an intentional reference to the holy city of Islam as well as an ironic swipe at Coca-Cola, which Mathlouthi calls "the Mecca of capitalism." London's *Sunday Times* called Mecca-Cola "the drink now seen as politically preferable to Pepsi or Coke."⁵ In 2003, Qibla Cola (the name comes from an Arabic word for "direction") was launched in the United Kingdom. Founder Zahida Parveen hoped to reach a broader market than Mecca-Cola by positioning the brand "for any consumer with a conscience, irrespective of ethnicity or religion."⁶

Religious issues have also been at the heart of a dispute about whether references to God and Christianity should be included in a new European constitution, which will be adopted now that the European Union (EU) has expanded its membership from 15 to 27 countries. On one side of the dispute are Europe's Catholic countries, including Ireland, Spain, Italy, and Poland. As Italy's deputy prime minister said, "The Italian government believes that [Europe's] common religious heritage should be explicitly referred to with the values of Judeo-Christian tradition." By contrast, the official position in France and Belgium is one of church-state separation. According to this view, religion has no place in the founding documents of the enlarged EU. In addition, Muslims constitute a politically active minority in France and other countries; Turkey is predominately Muslim. Thus representatives of Europe's Muslim population are resisting any reference to Christianity in the new constitution.⁷

Aesthetics

Within every culture, there is an overall sense of what is beautiful and what is not beautiful, what represents good taste as opposed to tastelessness or even obscenity, and so on. Such considerations are matters of **aesthetics**. Global marketers must understand the importance of *visual aesthetics* embodied in the color or shape of a product, label, or package. Likewise, different parts of the world perceive *aesthetic styles*—various degrees of complexity, for example—differently. Aesthetic elements that are attractive, appealing, and in good taste in one country may be perceived oppositely in another country.

In some cases, a standardized color can be used in all countries; examples include Caterpillar Yellow, the trademark of the earthmoving equipment company and its licensed outdoor gear. Likewise, Cadbury has trademarked the color purple for its chocolate confectionary packaging. In surveys about color preferences, 50 percent of respondents indicate blue is their favorite—and it is favored by a wide margin over the next-preferred color. The use of blue dates back millennia; artisans in ancient Egypt, China, and Mayan civilizations all worked with the color after the advent of mining led to the extraction of minerals containing blue pigment. Because it was rare and expensive, blue came to be associated with royalty and divinity.⁸ Today, Tiffany Blue is a trademarked color that the luxury goods marketer uses on its gift bags and boxes.

Because color perceptions can vary among cultures, adaptation to local preferences may be required. Such perceptions should be taken into account when making decisions about product packaging and other brand-related communications. In highly competitive markets, inappropriate or unattractive product packaging may put a company or brand at a disadvantage. New color schemes may also be needed because of a changing competitive environment.

There is nothing inherently "good" or "bad" about any color of the spectrum; all associations and perceptions regarding color arise from culture. Red is a popular color in most parts of the world; besides being the color of blood, in many countries red is tied to centuries-old traditions of viticulture and winemaking. One eight-country study of color perceptions found that red is associated with "active," "hot," and "vibrant"; in most countries studied, it also conveys meanings such as "emotional" and "sharp."⁹ As such, red has positive connotations in

⁵Bill Britt, "Upstart Cola Taps Anti-War Vibe," *Advertising Age* (February 24, 2003), p. 1. See also Digby Lidstone, "Pop Idols," *Middle East Economic Digest* (August 22, 2003), p. 4.

⁶Meg Carter, "New Colas Wage Battle for Hearts and Minds," *Financial Times* (January 8, 2004), p. 9.

⁷Richard Bernstein, "Continent Wrings Its Hands over Proclaiming Its Faith," *The New York Times* (November 12, 2003), p. A4. See also Brandon Mitchener, "Birth of a Nation? As Europe Unites, Religion, Defense Still Stand in Way," *The Wall Street Journal* (July 11, 2003), pp. A1, A6.

⁸Natalie Angier, "True Blue Stands Out in an Earthy Crowd," *The New York Times* (October 23, 2012), pp. D1, D3. See also Natalie Angier, "Blue Through the Centuries: Sacred and Sought After," *The New York Times* (October 23, 2012), p. D3.

⁹Thomas J. Madden, Kelly Hewett, and Martin S. Roth, "Managing Images in Different Cultures: A Cross-National Study of Color Meanings and Preferences," *Journal of International Marketing* 8, no. 4 (2000), p. 98.

many societies. However, red is poorly received in some African countries. Blue, because of its associations with sky and water, has an elemental connotation with undertones of dependability, constancy, and eternity. White connotes purity and cleanliness in the West, but it is often associated with death, mourning, and funerals in China and other parts of Asia. Attitudes are changing quickly among the younger generation, however; today, many Chinese women rent white wedding gowns and pose for photos with their friends to commemorate graduating from university!¹⁰

Another research team concluded that gray connotes inexpensive in China and Japan, whereas it is associated with high quality and high cost in the United States. The researchers also found that the Chinese associate brown with soft drink labels and associated the color with a beverage that tastes good; South Korean and Japanese consumers associate yellow with soft drinks that “taste good.” For Americans, the color red has those associations.¹¹

Music is an aesthetic component of all cultures and is accepted as a form of artistic expression and a source of entertainment. In one sense, music represents a “transculture” that is not identified with any particular nation. For example, rhythm, or movement through time, is a universal aspect of music. However, music is also characterized by considerable stylistic variation with regional or country-specific associations. For example, bossa nova rhythms are associated with Argentina; samba with Brazil; salsa with Cuba; reggae with Jamaica; merengue with the Dominican Republic; and blues, driving rock rhythms, hip-hop, and rap with the United States. Sociologists have noted that national identity derives in part from a country’s indigenous or popular music; a unique music style can “represent the uniqueness of the cultural entity and of the community.”¹²

Music provides an interesting example of the “think globally, act locally” theme of this book. Musicians in different countries draw from, absorb, adapt, and synthesize transcultural music influences, as well as country-specific ones, as they create hybrid styles such as Polish reggae or Italian hip-hop. Motti Regev describes this paradox as follows:

Producers of and listeners to these types of music feel, at one and the same time, participants in a specific contemporary, global-universal form of expression *and* innovators of local, national, ethnic, and other identities. A cultural form associated with American culture and with the powerful commercial interests of the international music industry is being used in order to construct a sense of local difference and authenticity.¹³

Because music plays an important role in advertising, marketers must understand what style is appropriate in a given national market. Although background music can be used effectively in broadcast commercials, the type of music appropriate for a commercial in one part of the world may not be acceptable or effective in another part. Government restrictions must also be taken into account. In China, authorities have the power to dictate which songs can be marketed and performed, as the Rolling Stones can attest. Rock music journalism must also conform to state mandates, as the publisher of *Rolling Stone* magazine learned (see Exhibit 4-3).

Dietary Preferences

Cultural influences are also quite apparent in food preparation and consumption patterns and habits. Need proof? Consider the following:

Domino’s Pizza, the world’s largest pizza-delivery company, pulled out of Italy because Italians perceived its product to be “too American.” In particular, the tomato sauce was too bold and the toppings were too heavy. Domino’s had better luck in India, where it localized its recipes with offerings that include pizza keema do pyaaza, peppy paneer, and five peppers.¹⁴ Today, Domino’s is the largest foreign fast-food chain in India, with more than 700 stores.

¹⁰Te-Ping Chen, “In China, Women Graduates Are Married to Gowns, Not Caps,” *The Wall Street Journal* (July 2, 2014), pp. A1, A12.

¹¹Laurence E. Jacobs, Charles Keown, Reginald Worthley, and Kyung-I Ghymn, “Cross-Cultural Colour Comparisons: Global Marketers Beware!” *International Marketing Review* 8, no. 3 (1991), pp. 21–30.

¹²Martin Stokes, *Ethnicity, Identity, and Music: The Musical Construction of Place* (Oxford: Berg, 1994).

¹³Motti Regev, “Rock Aesthetics and Musics of the World,” *Theory, Culture & Society* 14, no. 3 (August 1997), pp. 125–142.

¹⁴Amy Kamzin, “Domino’s Deadline to Deliver,” *Financial Times* (January 18, 2013), p. 10.

Exhibit 4-3 The March 2006 inaugural issue of *Rolling Stone's* Chinese edition featured local rocker Cui Jian on the cover. Global superstars U2 were also profiled.

Source: Frederic J. Brown/AFP/Getty Images.



When Dunkin' Donuts opened its first Indian outlets in 2012, morning business was slow. Why? Most Indians eat breakfast at home; by contrast, the U.S. tagline “America runs on Dunkin’” is in sync with Americans’ grab-and-go lifestyle. Success for Dunkin’ Donuts in India came after it introduced a line of Original Tough Guy Chicken Burgers.¹⁵

These examples underscore the fact that a solid understanding of food-related cultural preferences is important for any company that seeks to market food or beverage products globally. Titoo Ahluwalia, chairman of a market research firm in Mumbai, pointed out that local companies can also leverage superior cultural understanding to compete effectively with large foreign firms. He said, “Indian companies have an advantage when they are drawing from tradition. When it comes to food, drink, and medicine, you have to be culturally sensitive.”¹⁶ Companies that lack such sensitivity are bound to make marketing mistakes. When Subway expanded into India, the company chose two U.S.-educated Indian brothers to help open stores and supervise operations.

Although some food preferences remain deeply embedded in culture, plenty of evidence suggests that global dietary preferences are converging. For example, “fast food” is gaining increased acceptance around the world. Heads of families in many countries are pressed for time and are disinclined to prepare home-cooked meals. Also, young people are experimenting with different foods, and the global tourism boom has exposed travelers to pizza, pasta, and other ethnic foods. Shorter lunch hours and tighter budgets are forcing workers to find a place to grab a quick, cheap bite before returning to work.¹⁷ As cultural differences become less relevant, such convenience products will be purchased in any country where consumers’ disposable incomes are high enough.

As we have seen, however, such processes can provoke a nationalist backlash. To counteract the exposure of its young citizens to *le Big Mac* and other American-style fast foods, the French National Council of Culinary Arts designed a course on French cuisine and “good taste” for elementary school students. The director of the council is Alexandre Lazareff. In his book *The French Culinary Exception*, Lazareff warned that France’s tradition of *haute cuisine* is under attack by the globalization of taste. More generally, Lazareff spoke out against perceived challenges to France’s culinary identity and way of life. His concerns are real; while McDonald’s continues to open new restaurants in France (today there are more than 1,100 outlets), the number of traditional bistros and cafés has declined steadily for years. Despite McDonald’s success,

¹⁵Preetika Rana, “In India, Forget Doughnuts, It’s Time to Make the Tough Guy Chicken Burger,” *The Wall Street Journal* (November 29–30, 2014), p. A1.

¹⁶Fara Warner, “Savvy Indian Marketers Hold Their Ground,” *The Wall Street Journal Asia* (December 1, 1997), p. 8.

¹⁷John Willman, “‘Fast Food’ Spreads as Lifestyles Change,” *Financial Times* (March 27, 1998), p. 7.



THE CULTURAL CONTEXT

Can French Cuisine Regain Its Luster?

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For centuries, France has enjoyed a reputation as the epitome of the culinary arts. Terms such as *haute cuisine*, *cuisine classique*, and *nouvelle cuisine* have been used to describe various styles and eras of French cooking. Quiche, escargot, and Tournados Rossini are some of the French dishes that entered the culinary mainstream in the twentieth century. French restaurants that use luxury ingredients and boast highly coveted stars from the venerable Michelin guide have long been popular dining destinations among globetrotting gourmands. The hit movies *Julie and Julia* and *Ratatouille* helped boost awareness of French gastronomy among the general population.

However, all is not well in the land of *haute cuisine*. Recently, a number of authors, journalists, and food critics have chronicled a disturbing trend: the decline in France's status as a culinary superpower. Several famous twentieth-century French master chefs have passed away, including legendary pâtissier Gaston Lenotre. Meanwhile, chefs in London, Japan, and Spain are breaking new ground in terms of cooking technology and food chemistry. A new generation of chefs, including Heston Blumenthal of The Fat Duck in Bray, England, and Ferran Adria of El Bulli in Spain, are celebrated for their forays into "molecular gastronomy" and other innovations (see Exhibit 4-4). Another Brit, Gordon Ramsay, is featured in the popular *Hell's Kitchen* reality TV show. In short, France is no longer universally viewed as cutting-edge.

The numbers tell part of the story: McDonald's is France's number 1 private-sector employer, and the number of cafés has shrunk to 40,000 from 200,000 half a century ago. While sales of the most expensive French wines are booming, thanks to strong demand in Asia, sales of French wines made for everyday drinking are declining around the world.

What is to be done? Plenty, it turns out. For example, Omnivore is an organization and magazine started by food writer Luc Dubanchet. The goal is to spread the word about *le jeune cuisine*, which is more casual than traditional French cuisine. Omnivore's sponsors include Groupe Danon's water division, which markets the Evian and Badoit



brands. Another organization, Le Fooding, publishes a magazine and sponsors festivals featuring food prepared by top French chefs. Le Fooding's sponsors include Veuve Clicquot Champagne. Sponsors generally hope to generate increased awareness and sales among both chefs and restaurant patrons.

In addition, a French organization called the Interprofessional Council of Bordeaux Wine (CIVB) has launched a new program to promote Bordeaux wines in global markets. Dubbed Bordeaux Tomorrow, the program calls for opening "Bordeaux Bars" in London, Hong Kong, New York, and other key cities. Print ads will emphasize that wines from the Bordeaux region are fun to drink on a regular basis and are not just for wealthy connoisseurs and collectors. As Christophe Chateau, communications director of CIVB, explains, "We need to show people that you can get excellent value for [the] money from Bordeaux for between €3 and €10 a bottle. In restaurants, people often avoid Bordeaux because they think it will be too expensive."

Another suggestion comes from Donald Morisson, author of *The Death of French Culture*. Morrison argues that French chefs should forget about past glories; instead, they should spend more time abroad, where they can be exposed to new ideas. A recent gathering in Great Milton, England, is a perfect example of this approach. Top chefs from the United States, France, and Great Britain met for a weeklong conference called "The American Food Revolution." One attendee, Gérard Passédat of the Michelin-starred Petit Nice in Marseille, summed up the event this way: "Unfortunately, we [French] are too rigid. Food is so central to the French way of life. There are different cultures, different clienteles, as well as intellectual and psychological barriers. But meetings like this will help us to breach them."

Sources: Adam Sage, "Bordeaux Rescue Plan Goes Down-Market to Boost Sales," *The Australian* (January 10, 2011); Michael Steinberger, *Au Revoir to All That: Food, Wine, and the End of France* (New York: Bloomsbury, 2009); Katy McLaughlin, "French Food Fights Back," *The New York Times* (July 14, 2010); Donald Morrison, "Cordon Blues," *Financial Times* (June 6/7, 2009), p. 16; R. W. Apple, Jr., "Europe Borrows a Cup of Inspiration," *The New York Times* (April 21, 2004), pp. C1, C8.



Exhibit 4-4 Heston Blumenthal is a renowned British chef famous for a new style of cuisine called "Molecular Gastronomy" in which chefs explore physics and chemistry to transform the tastes and textures of food. Blumenthal's The Fat Duck—one of only four Michelin 3-star restaurants in Great Britain—serves sensory-rich dishes such as aerated beetroot and snail porridge.

Sources: Peter Titmuss/Alamy and Herbert Lehmann/Bon Appetit/Alamy.

Exhibit 4-5 Spam, the iconic brand of canned ham, is known to Americans as a reliable, if unglamorous, pantry staple. Spam is so deeply embedded in American food culture that there is even a Spam Museum in Austin, Minnesota, home to parent company Hormel. In South Korea, Spam is regarded as a delicacy, often packaged in gift sets for holiday giving. It is frequently served with kimchi, South Korea's famous fermented cabbage dish.

Sources: Jodi Cobb/National Geographic Image Collection/Alamy.



the French have coined a new buzzword, *le fooding*, to express the notion that the nation's passion for food goes beyond mere gastronomy:

To eat with feeling in France is to eat with your head and your spirit, with your nose, your eyes, and your ears, not simply your palate. *Le fooding* seeks to give witness to the modernity and new reality of drinking and eating in the twenty-first century....Everything is *fooding* so long as audacity, sense, and the senses mix.¹⁸

Language and Communication

The diversity of cultures around the world is also reflected in language. A person can learn a great deal about another culture without leaving home by studying its language and literature; such study is the next-best thing to actually living in another country. Linguists have divided the study of *spoken* or *verbal* language into four main areas: syntax (rules of sentence formation), semantics (system of meaning), phonology (system of sound patterns), and morphology (word formation). *Unspoken* or *nonverbal* communication includes gestures, touching, and other forms of body language that supplement spoken communication. (Nonverbal communication is sometimes called the silent language.) Both the spoken and unspoken aspects of language are included in the broader linguistic field of *semiotics*, which is the study of signs and their meanings.

In global marketing, language is a crucial tool for communicating with customers, suppliers, channel intermediaries, and others. The marketing literature is full of cringe-worthy anecdotal references to blunders such as embarrassing pronunciations of product names and inept translations of advertising copy. As you can see from Figure 4-1, pronunciation subtleties associated with certain Chinese characters can trip up well-meaning gift giving in China. For example, it would be a bad sign to give an umbrella to a business acquaintance because it would be the equivalent of hoping that his or her business fails.

¹⁸Jacqueline Friedrich, "All the Rage in Paris? Le Fooding," *The Wall Street Journal* (February 9, 2001), p. W11.

**FIGURE 4-1**

In China, it is bad luck to give a book, an umbrella, or a clock as a gift. Why? The character for “book” is pronounced shu, which sounds like “I hope you lose (have bad luck).” “Umbrella” (san) sounds like “to break into pieces or fall apart.” And “clock” (zhong) sounds like “death” or “the end.”

In China, Dell had to find a meaningful interpretation of “direct sales,” the phrase that describes the company’s powerful business model. A literal translation results in *zhi xiao*, which is the Chinese term for “illegal pyramid marketing schemes.” To counteract the negative connotation, Dell’s sales representatives began using the phrase *zhi xiao ding gou*, which translates as “direct orders.”¹⁹ Similarly, a team of translators was tasked with compiling a dictionary to help fans of American football in China understand the game (Figure 4-2).

When the British/American retail-development firm BAA McArthurGlen sought approval for a U.S.-style factory outlet mall in Austria, local officials wanted to know, “Where’s the factory?” To win approval for the project, McArthurGlen was forced to call its development a “designer outlet center.” Another linguistic issue: The American making the marketing pitch incorrectly rendered the name “Nike”—a prospective anchor tenant at the proposed outlet center—when speaking to French audiences. Summoning his rudimentary language skills, the American assumed that the shoemaker’s name would be pronounced “NEEK” in French. Imagine his dismay when a sympathetic colleague took him aside and told him that the correct pronunciation was “NIK” (rhymes with “bike”). It turns out that “NEEK” is not just the “F-word”; it is the “F-word” in the sense of “fornicating with animals”!²⁰

Anheuser-Busch and Miller Brewing both experienced market failures in the United Kingdom; the problem was the phrase “light beer,” which was understood as meaning “reduced alcohol levels” rather than “fewer calories.” Now Miller Lite is marketed in Europe as “Miller Pilsner.”²¹

Phonology and morphology can also come into play; Colgate discovered that in Spanish, *colgate* is a verb form that means “go hang yourself.” IKEA is known for product names based on Scandinavian cities and children’s names. However, in Thailand, the furniture giant had to

blitz	capture and kill ‘擒杀’
突袭:猛撞 (四分卫)一种 防守技术	successfully capture the quarterback 成功地擒抱四分卫
gambling kickoff	play action 假跑真传
赌博踢	
short kick	Hail Mary pass 长传到达阵区
短开球	
punt	touchdown 持球触地
凌空踢球	

FIGURE 4-2

Thanks to a team of academics who compiled an encyclopedia of American football terms, Chinese sports fans should have a better understanding of NFL games. For example, the Chinese translation for blitz is “lightning war against the quarterback.” Onside kick is rendered “gambling kickoff” or “short kick,” while punt is “give up and kick it back.” The authors of *The American Football Encyclopedia* also interpreted sack as “capture and kill” or “capture the quarterback”; play action is “pass after fake run.” Hail Mary pass translates as “miracle long pass,” and touchdown is “hold the ball and touch the ground.”

¹⁹Evan Ramstad and Gary McWilliams, “Computer Savvy: For Dell, Success in China Tells Tale of Maturing Market,” *The Wall Street Journal* (July 5, 2005), pp. A1, A8.

²⁰Recounted in J. Byrne Murphy, *Le Deal* (New York: St. Martins, 2008), pp. 60–61.

²¹Dan Bilefsky and Christopher Lawton, “In Europe, Marketing Beer as ‘American’ May Not Be a Plus,” *The Wall Street Journal* (July 21, 2004), p. B1.

hire linguists and native speakers to help render product names in Thai. The reason? The names for products such as the Redalen bed, and Jättebra, a flower pot, had sexual connotations when pronounced in Thai. The solution: The team of native speakers proposed vowel and consonant changes to certain names so they would not sound offensive.²²

Whirlpool spent considerable sums of money on brand advertising in Europe only to discover that consumers in Italy, France, and Germany had trouble pronouncing the company's name.²³ Conversely, Renzo Rosso deliberately chose "Diesel" for a new jeans brand because, as he once noted, "It's one of the few words pronounced the same in every language." Rosso has built Diesel into a successful global youth brand and one of Italy's top fashion success stories; annual sales revenues exceed \$1.2 billion.²⁴

Technology is providing interesting new opportunities for exploiting linguistics in the name of marketing. For example, young people throughout the world are using cell phones to send text messages; it turns out that certain number combinations have meanings in particular languages. For example, in Korean the phonetic pronunciation of the numerical sequence 8282, "Pal Yi Pal Yi," means "hurry up," and 7179 ("Chil Han Chil Gu") sounds like "close friend." Also, as many digital-savvy young teens in Korea can attest, 4 5683 968 can be interpreted as "I love you."²⁵ Korean marketers are using these and other numerical sequences in their advertising. After eBay boosted its presence in China by acquiring the EachNet auction site in 2003, it used rebates and other promotions to attract users. For example, EachNet offered credits of 68 yuan on purchases of 168 yuan or more. The figures were chosen for their linguistic properties: In Chinese, the word "six" is a homophone (has the same pronunciation) for the word "safe," and "eight" is pronounced the same as "prosperity."²⁶

One impact of globalization on culture is the diffusion of the English language around the globe. Today, more people speak English as a second language than there are people whose native language is English. Nearly 85 percent of the teenagers in the EU are studying English. Despite the fact that Sony is headquartered in Japan, the company makes it clear to job applicants in any part of the world that it does not consider English to be a "foreign language." The same is true for Finland's Nokia. Matsushita introduced a policy that requires all managers to pass an English-language-competency test before being considered for promotion. Top management at Matsushita concluded that a staid corporate culture that was exclusively Japanese was eroding the company's competitiveness in the global market. The English-language requirement is a potent symbol that a Japanese company is globalizing.²⁷

The challenges presented by nonverbal communication are perhaps even more formidable. For example, Westerners doing business in the Middle East must be careful not to reveal the soles of their shoes to hosts or pass documents with the left hand. In Japan, bowing is an important form of nonverbal communication that has many nuances. People who grow up in the West tend to be verbal; those from Asia exhibit behavior that places more weight on nonverbal aspects of interpersonal communication. In the East, it is expected that people will pick up on nonverbal cues and intuitively understand meanings without being told.²⁸ Westerners must pay close attention not only to what they hear but also to what they see when conducting business in such cultures.

Deep cultural understanding that is based in language can be an important source of competitive advantage for global companies. The aggressive expansion of Spain's Telefónica in Latin America provides a case in point. As Juan Villalonga, former chairman of Telefónica, noted, "It is not just speaking a common language. It is sharing a culture and understanding friendships in the same way."²⁹

²²James Hookway, "IKEA's Products Make Shoppers Blush in Thailand," *The Wall Street Journal* (June 5, 2012), pp. A1, A16.

²³Greg Steinmetz and Carl Quintanilla, "Tough Target: Whirlpool Expected Easy Going in Europe, and It Got a Big Shock," *The Wall Street Journal* (April 10, 1998), pp. A1, A6.

²⁴Alice Rawsthorn, "A Hipster on Jean Therapy," *Financial Times* (August 20, 1998), p. 8.

²⁵Meeyoung Song, "How to Sell in Korea? Marketers Count the Ways," *The Wall Street Journal* (August 24, 2001), p. A6.

²⁶Mylene Mangalindan, "Hot Bidding: In a Challenging Market, eBay Confronts a Big New Rival," *The Wall Street Journal* (August 12, 2005), p. A1.

²⁷Kevin Voigt, "At Matsushita, It's a New Word Order," *Asian Wall Street Journal Weekly* (June 18–24, 2001), p. 1.

²⁸See Anthony C. Di Benedetto, Miriko Tamate, and Rajan Chandran, "Developing Strategy for the Japanese Marketplace," *Journal of Advertising Research* (January–February 1992), pp. 39–48.

²⁹Tom Burns, "Spanish Telecoms Visionary Beholds a Brave New World," *Financial Times* (May 2, 1998), p. 24.

Several important communication issues may emerge. One is *sequencing*, which concerns whether the discussion goes directly from point A to point B or seems to go off on tangents. Another is *phasing*, which pertains to whether certain important agenda items are discussed immediately or after the parties have taken some time to establish rapport. According to two experts on international negotiations, several distinctly American tactics frequently emerge during negotiations. These tactics are often effective with other Americans, but may require modification when dealing with people from other cultural backgrounds. In any communication situation, speakers offer a variety of cues that can help astute observers understand the speaker's mind-set and mental programming. Here are some examples.³⁰

Americans typically want to "go it alone." As a result, they may be outnumbered in a negotiation situation.

Many Americans like to "lay their cards on the table." However, in some contexts, it is important to build rapport and *not* "get to the point" immediately.

Americans tend to talk too much and to talk when they should be listening and observing. In some cultures, long silences are valued. Nonverbal communication cues can be just as important as words.

Marketing's Impact on Culture

Universal aspects of the cultural environment represent opportunities for global marketers to standardize some or all elements of a marketing program. The astute global marketer often discovers that much of the apparent cultural diversity in the world turns out to be different ways of accomplishing the same thing. Shared preferences for convenience foods, disposable products, popular music, and movies in North America, Europe, Latin America, and Asia suggest that many consumer products have broad, even universal, appeal. Increasing travel and improving communications have contributed to a convergence of tastes and preferences in a number of product categories. The cultural exchange and the globalization of culture have been capitalized upon, and even significantly accelerated, by companies that have seized opportunities to find customers around the world. However, as noted at the beginning of this chapter, the impact of marketing and, more generally, of global capitalism on culture can be controversial. For example, sociologist George Ritzer and others lament the so-called "McDonaldization of culture" that, they say, occurs when global companies break down cultural barriers while expanding into new markets with their products. As Ritzer noted:

Eating is at the heart of most cultures and for many it is something on which much time, attention and money are lavished. In attempting to alter the way people eat, McDonaldization poses a profound threat to the entire cultural complex of many societies.³²

"A great cook tells his story, not that of his neighbor or what he has seen on television. The future is 'glocal' cooking, both global and local."³¹

Alain Ducasse, Louis XV restaurant, Monaco

Fabien Ouaki is living proof that persons outside of academe and government have also joined the battle against McDonaldization. Ouaki is the managing director of Tati, a discount retailer based in France. Ouaki is opening new stores in select countries, including the United States. Ouaki claims that "personal revenge" is one motivation for entering the U.S. market. "As a Frenchman, it makes me sick to see kids crying to go see 'Titanic,' eat at McDonald's, or drink Coke. I want to see New Yorkers crying to have a Tati wedding dress," he said.³³ Similarly, the international Slow Food movement boasts 70,000 members in dozens of countries. Slow Food grew out of a 1986 protest over the opening of a McDonald's on a popular plaza in Rome; every two years, Slow Food stages a Salone del Gusto in Italy that showcases traditional food preparation. As a spokesperson said, "Slow Food is about the idea that things should not taste the same everywhere."³⁴ In 2008, Slow Food U.S.A. attracted 60,000 people to an event in San Francisco that featured a farmers' market and a speakers' series called "Food for Thought" (see Exhibit 4-6).

³⁰John L. Graham and Roy A. Heberger, Jr., "Negotiators Abroad—Don't Shoot from the Hip," *Harvard Business Review* 61, no. 4 (July–August 1983), pp. 160–168.

³¹Rosa Jackson, "Michelin Men," *Financial Times* (November 24/25, 2012), p. R8.

³²George Ritzer, *The McDonaldization Thesis* (London: Sage Publications, 1998), p. 8.

³³Amy Barrett, "French Discounters Takes Cheap Chic World-Wide," *The Wall Street Journal* (May 27, 1998), p. B8.

³⁴Christine Muhlke, "A Slow Food Festival Reaches Out to the Uncommitted," *The New York Times* (September 3, 2008), p. D12. See also Alexander Stille, "Slow Food's Pleasure Principles," *The Utne Reader* (May/June 2002), pp. 56–58.