

LEARNING OBJECTIVES

- Discuss the concept of culture.
- Discuss how to tackle global marketing opportunities.
- Understand how to study the values and customs of different cultures to develop effective marketing strategies.



CONSUMER BACKGROUND AND CULTURE

A consumer's background or culture likely has a significant impact on his or her behavior.

Cultural norms are clearly a vital force in shaping motivations, goals, behaviors, unmet needs, and, ultimately, the choices consumers make to fulfill their unmet needs.

[Cultural differences](#)



CONSUMER BACKGROUND AND CULTURE

In addition to separate and distinct cultures having influenced consumers, globalization — the process of interaction and integration among the people of different cultures — has also had a significant influence on the consumer purchase process.



LEARNING OBJECTIVE 1

THE CONCEPT OF CULTURE



DEFINITION

Culture: “The shared patterns of behaviors and interactions, cognitive constructs and understanding that are learned by socialization.”

— The University of Minnesota Center
to Advance Research on Language Acquisition

KEY TENETS

There are a few key tenets of culture that marketing students must appreciate in order to understand how to successfully market products and services in a global world.



KEY TENETS

Culture is a comprehensive concept.

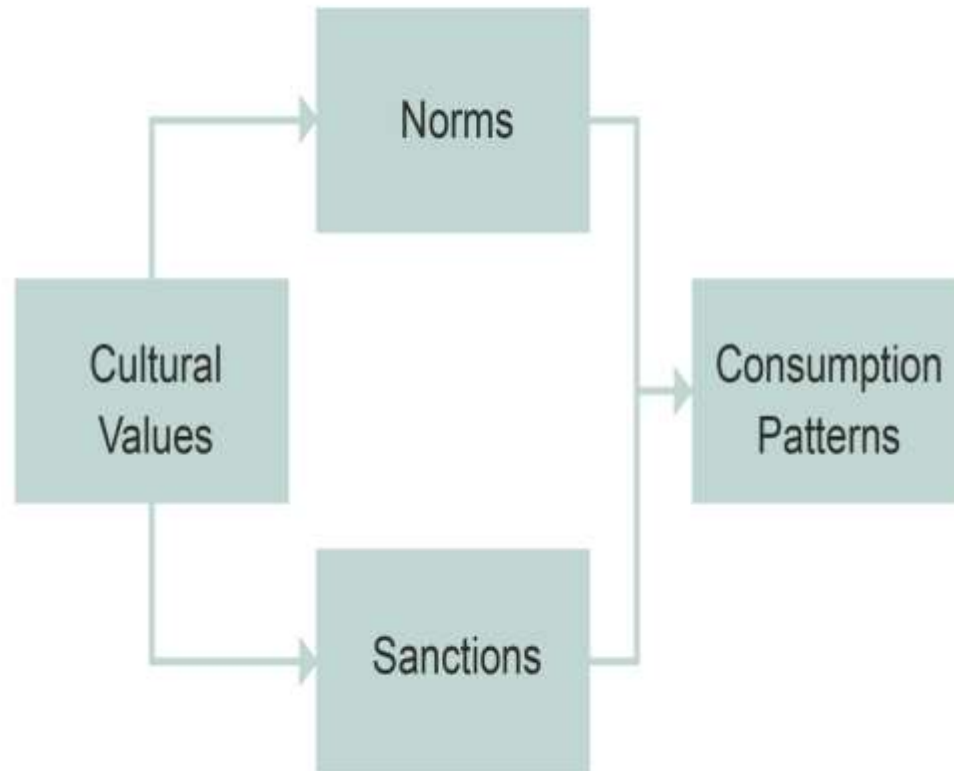
Cultures differ significantly across the globe.

Culture isn't prescriptive.



CULTURE

PROCESS BY WHICH CULTURE IMPACTS CONSUMPTION:



Teens and Millennials

- Teens shop more frequently than consumers in other segments
- Age cohorts - Group of consumers who are born in the same period
 - **Millennial**
 - Individuals born between 1980 and 1994
 - Known as Generation Y
- Boomerangers - Consumers who move back with their parents after college or after being on their own



Generation X

- Individuals born between 1965 and 1979
- Diverse group of 49 million
- Few Gen Xers own homes
- Cynical about obvious marketing techniques
- Reacts positively toward messages that align with their values, attitude, and interests



Generation X (continued)

- Can be reached through:
 - Alternative music radio stations and cable TV
 - Advertisements in music-related publications
 - Messages displayed at concerts, sporting events, and popular vacation spots
 - Internet, mobile marketing, and social media

How is Gen X different from Gen Y?



Baby Boomers

- Individuals born between 1946 and 1964
- Consist of 76 million individuals
- Influential consumer segment because of size and buying power
- Labeled the sandwich generation
- Value individualism and freedom
- Target for cars, housing, travel, entertainment, recreation equipment, motor homes
- Heavy consumers of financial services



Seniors

- Individuals over 65 years old
- Women outnumber men
- Engage in schematic processing due to reduced information processing skills
- Susceptible to the truth effect



Seniors (continued)

- Growing market for:
 - Health-related products or services
 - Retirement communities
- Tend to be brand-loyal
- Perceive ads with positive older role models as credible
- Benefit from age-friendly shopping environment
- Value service



LEARNING OBJECTIVE 2

HOW TO TACKLE GLOBAL MARKETING OPPORTUNITIES



CONSIDERATIONS FOR MARKETERS

Marketers have the opportunity to consider a global or a local marketing strategy for international markets to help drive awareness, consideration and ultimately purchase of products.



OPTIONS: INTERNATIONAL MARKETS

Marketers have four options to choose from based on their decisions to customize their products and/or communications strategies for international markets.



OPTIONS: INTERNATIONAL MARKETS

Option 1: Marketers could approach international markets with a global marketing strategy.

That means they would choose to market the same product without any customizations to the products themselves while using the same communications approach (the same positioning, value proposition, and perhaps even advertisements across the globe).



OPTIONS: INTERNATIONAL MARKETS

Option 2: A marketer could take on a local marketing strategy.

With this approach, the marketer would customize both the product and its marketing communications approach for each market.



OPTIONS: INTERNATIONAL MARKETS

Option 3: The marketer could take a hybrid approach, leaving the product unchanged but customizing its communications strategy.



OPTIONS: INTERNATIONAL MARKETS

Option 4: The marketer could take a hybrid approach, changing the product itself but leaving its communications strategy unchanged.



LEARNING OBJECTIVE 3

HOW TO STUDY CULTURAL VALUES AND CUSTOMS TO DEVELOP STRATEGIES



CROSS-CULTURAL ANALYSIS

To understand which of the four marketing approaches to take, marketers should conduct a cross-cultural analysis to choose the right approach for their particular products and services.



STUDYING CULTURAL VALUES AND CUSTOMS

DEFINITION

Cross-cultural analysis: in consumer behavior terms, understanding the extent that consumers in multiple markets think and act differently



FACTORS TO CONSIDER

There are several critical market factors successful marketers should consider when conducting cross cultural analysis.

- Linguistic barriers
- Advertising appeals
- Legal barriers



MACRO FACTORS

While it's important to conduct analysis at the market level,
it's also important to conduct analysis at the consumer level
to truly understand consumer perceptions, preferences and behavior.



ACCULTURATION / DEFINITION

Once marketers understand how they should enter a new market, they often have to take the lead on the difficult acculturation process.

Acculturation: the process of driving cultural change, often the result of trying to convince consumers to adopt new products and services within a new environment



ACCULTURATION

The first step in acculturation lies in getting a comprehensive understanding how consumers behave in the new market with respect to a company's product or product category.



ACCULTURATION

Marketers have two roles:

- 1) Product development
- 2) Marketing communications

