How Culture has an Impact upon Product/Brand and Communication Decisions in the Global Environment

Irene Garcia Medina
Glasgow Caledonian University
Irene.Garcia2@gcu.ac.uk

Patrícia M. F. Coelho
University of Santo Amaro - UNISA.
patriciafariascoelho@gmail.com

Abstract
This essay aims to critically analyze how culture has had an impact on product decisions, brand image and communication in the global environment. It is a theoretical bibliographic study using different authors from various cultural theories, for example, Hofstede (1991); Madden et al (2000) or Terpstra; David (1991). The analysis is also based in concepts of Hofstede and looks at the marketing mix in a global context presenting current examples. The results show the changes that are occurring in the area of communication. Researchers should be aware of these changes.

Key words: Culture, Hofstede, Global Marketing.
Como a Cultura tem um Impacto sobre Decisões de Produto / Marca e Comunicação no Ambiente Global

Este ensaio tem como objetivo analisar criticamente como a cultura tem tido um impacto nas tomadas de decisões de produtos, da imagem da marca e da comunicação no ambiente global. Este trabalho é estudo teórico (bibliográfico), que utiliza diferentes autores, a partir de várias teorias culturais, como, por exemplo, Hofstede (1991); Madden et al (2000); Terpstra; David (1991). A análise também é baseada nos conceitos de Hofstede e olha para o mix de marketing em um contexto global apresentando exemplos atuais. Os resultados mostram as mudanças que estão ocorrendo na área de comunicação. Os investigadores devem estar cientes dessas mudanças.

Palavras-chave: Cultura, Hofstede, marketing global.

Introduction

In order to examine several cultural theories the essay will first outline the definition of the word culture so it can be used in this context throughout the essay. Hofstede defined culture as “the collective programming of the mind which distinguishes the members of one human group from another... Culture, in this sense, includes systems of values; and values among the building blocks of culture.” (HOFSTEDE, 1991).

A company who has a global business means that they will need to conduct business with consumers, partners and key stakeholders who may all have different cultural mindsets. For example when Disney set up theme parks in France and Hong Kong they both had different opinions regarding this. France named the theme park as a “cultural Chernobyl” where as in Hong Kong the government actively pursued Disney until they set up a park in 2005. (KOTABE; HELEN, 2008).

Cultural environments can effect companies for two key reasons the first may result in the company changing their marketing mix strategy in order to avoid cultural
blunders and offences. Secondly they may discover market opportunities which they
can use to better target the market. The knowledge of different cultures requires each
culture to be divided into different elements. Cultures are looked at in terms of
material life, language, social interactions, aesthetics, religion, education and values.
It is important for global companies to have a deep understanding of these areas
when planning the correct unique strategy.

The first element is material life this refers to the technology used to produce
the product and the logistics use to distribute the product into society. For example in
India Coca Cola use tricycles to distribute bottles down the narrow streets compared
to massive trucks in the US. (BUSINESS WEEK, 1996). The second element is
language. This is described to be one of the biggest elements that can divide cultures
apart. Language is not just restricted to the spoken word it can also be unspoken
gestures also called the silent language. In Japan for instance writing cues on
business cards is a bad form of etiquette, thus managers must be careful when
conducting business globally so that they do not offend others or embarrass the
company by mistake. (FINANCIAL TIMES, 1992).

When advertising, slogans and tag lines need to be double checked across
countries so that they could not be interoperated differently and to make sure that
any words can be lost in translation. For example when the US company Parker pens
entered the Latin America market with the slogan they were using in the US: Avoid
embarrassment- use Parker Pens the Spanish word for embarrassment has the
meaning for pregnancy. As a result the company looked as if they were advertising a
contraceptive product. This could have been disastrous for the company if they
offended anyone. In addition it could have changed the companies brand image and
how people relate to the company’s products. Many companies use Multilanguage
labels and advertising campaigns now to avoid blunders such as these.

Social interactions is another key factor, this can be described as how people
interact with each other; many cultures are very family orientated such as in china.
Some countries refer to their family as the nuclear family as the family unit where as
other include the extended family, this is more common in developing countries. In China family orientation is a big deal and companies promoting products or services in this area of the world need to be aware of this. McDonalds the fast food company changed their restaurant from a fast quick and go approach in china to be a more sit down with the family type restaurant as in Chinese culture they like to spend time with the family at dinner time.

In addition social interactions can also include reference groups. In the UK there is a Chav Culture among young teenagers who are often described as young, white, unemployed and uneducated individuals. Chavs adopting the Burberry brand as part of their image was not received well by Burberry as they didn’t want their brand and products associated with this reference group, although most products they did purchase was counterfeit there was still ties to the Burberry brand. (TELEGRAPH.CO.UK, 2015).

The element of aesthetics refers to the beauty or good taste that the culture upholds. This divide may not even fall under the nationally category as in some multi-regions countries it can be split regionally. Colouring of products can mean different things in different countries. In Hong Kong black can be seen as a very masculine colour where as in Brazil it is deemed a formal colour. In Chinese cultures red is perceived to be a very lucky colour and yellow to be perceived as pleasant, whereas in Japan bright colours are not preferred and pastel colours express harmony. In terms of brand image and how products are packaged the different meanings of colours can invoke different meanings in different cultures and thus may be received differently. (MADDEN ET AL. 2000). When designing the packaging for products companies must take this into consideration. Religion plays a substantial role in many societies and cultures.

In many countries there may be a range of different dominant religions which need to be considered. As religion plays an important part in many consumers’ lives companies should be aware of this and thus respect religion and in certain cases alter their marketing mix around this. An example of this is when McDonalds
introduced their ‘Maharajah Mac’ in India which is chicken based rather than beef based like their standard big Mac to avoid offending many Indians as they are opposed to beef food. (AD AGE GLOBAL, 2001).

Many religions have different holidays during the calendar year which companies will have to respect in terms of their employees in these countries. For example the month of Ramadan in the Muslim religion and Christmas in Christianity are increasingly being turned into commercialised opportunities for company’s advertisement and thus companies need to watch that they don’t exploit these religious holidays. In Iran all advertising campaigns need to be cleared by Islamic censors which can take up to three months to clear. Not a hearing to religious customs in counties can really damage a company’s image and thus have a major impact on them globally and can lead to loss in market share in countries and a loss in profits.

Education is one of the many drivers that channels culture to one generation to the next. To marketers the quality and various levels of education differ from country to country and thus must be taken into consideration. In developing countries education is delivered to children up to their late teens however in certain Muslim societies the males benefit from a higher level of education compared to the women. With a range of literacy levels and in some cases low literacy rate companies need to take into consideration the information on bottles and packaging labels and the information used in announcements and company communications. A baby food company in Africa had poor sales after a picture of a baby was displayed on the labels and the locals thinking the product contained ground up baby. (RICKS, 1993).

This resulted in a loss in sales and a bad overall brand image in Africa. In addition in certain areas there may be a shortage of qualified individuals in specific fields making it harder to hire locally and rival companies may have to bid against each other for the scarce talent that is available. Thus forcing companies to rely on expatriates until there is a local employee that is properly trained and qualified. This
could result in offending the local population as the company would be bringing in foreign workers to do their jobs.

The next element looked at is value systems, this is what shapes peoples norms and standards; this can influence people’s attitudes towards products. Value systems are also intrinsic to a person’s identity. In terms of effecting global companies, especially companies entering a market with new products that are not the norm marketers can follow Terpstra and David’s four guidelines when implementing new ideas and products into a hostile environment. These are: identifying road blocks to change, determining which cultural hurdles can be met, testing and demonstrating the products effectiveness inside the specific cultural environment and seeking out the values that can be used to back up the company’s product. (TERPSTRA; DAVID, 1991). From a global marketers stance local attitudes towards foreign cultures will determine how the product is positioned to the market and may impact the design decisions therefore value systems can matter a great deal.

In addition to examining the different elements of culture the academic Geert Hofstede developed his own cultural classification scheme. Hofestede’s framework divided culture into five different dimensions: Power distance, Individualism, Masculinity, Uncertainty avoidance and Long term orientation. This framework examines each individual country and gives them a score rating out of one hundred depending on the analysis gathered using the five dimensions. (HOFESTEDE, 1991).

**Hofstede’s framework**

The first dimension power distance refers to the social status and the acceptance of inequality among people. High power distance societies tolerate social inequalities believing that everyone has their rightful place within the society and symbols of status plays an important role. Low power distance societies have very little differences in social stratus and everyone is perceived on an equal level, Norway is a great example of a low power distance country.
The second dimension is uncertainty avoidance. Societies with high uncertainty avoidance will feel threatened by new products and new changes thus they seem to follow a rigid set of rules and have a structured lifestyle. Japan is a great example of this and rate quite high on the scale of uncertainty avoidance whereas countries such as the UK have very low levels and thus promote a more carefree easy going attitude. In low uncertainty avoidance countries it will be easier for marketers to market their products as people will be more accepting to change.

The next and third dimension is Individualism as the name suggests this refers to the degree that people will prefer to act as an individual or would rather act as part of a group in a more collectiveness attitude. In collectiveness societies the interests of the group are at the forefront and members are loyal to the group’s collective interests. Individuals countries encourage people to stand on they own two feet such as in the United States.

The fourth dimension is masculinity; this refers to the degree of power and importance of male values compared to females such as assertiveness and status unlike female values such as people orientation. Japan is a very highly ranked masculinity country as their cultural values strive for success and status.

The final dimension is a later addition to Hofstede’s work is long-termism. This refers to how societies approach life in a long-term way for example looking towards the future and longer term effects actions carried out now will cause. Whereas short-term focused cultures are more concerned about the past and are often cultures who strive to preserve traditions and will continue to follow the same paths.

**Conclusion**

In conclusion both Hofstede’s work on the five dimensions and the cultural elements examined in the first section of the essay can provide a basis for companies looking to enter the global environment. As seen previously there is a wide range of factors that need to be taken into consideration when entering the
global market as the results could have major effects on the product/brand image. Communication decisions are key and as shown previously each individual culture can be different and a one fit all strategy is not going to work for every different culture it is only through examining each culture separately can the right decisions be made.

References

AD AGE GLOBAL. McDonald’s averts a crisis. p. 4. 2001.
HOFSTEDE, G. The cultural relativity of organisational practices and theories, Journal of International Business Studies, Fall, pp. 75-89. 1983.
## About the Authors

<table>
<thead>
<tr>
<th>Photo</th>
<th>Name</th>
<th>Designation and Institution</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="Irene Garcia Medina" /></td>
<td><strong>Irene Garcia Medina</strong></td>
<td>Lecturer in Marketing, Business Management Department, Glasgow Caledonian University.</td>
<td><a href="mailto:Irene.Garcia2@gcu.ac.uk">Irene.Garcia2@gcu.ac.uk</a></td>
</tr>
<tr>
<td><img src="image2.png" alt="Patricia M. F. Coelho" /></td>
<td><strong>Patricia M. F. Coelho</strong></td>
<td>PhD in Communication and Semiotics from the Catholic Pontifical University of São Paulo (PUC-SP) and Master of Language Studies from the Mackenzie Presbyterian University. Professor at the Interdisciplinary Master in Humanities Sciences in the University of Santo Amaro - UNISA.</td>
<td><a href="mailto:patriciafariascoelho@gmail.com">patriciafariascoelho@gmail.com</a></td>
</tr>
</tbody>
</table>