

Culture and Persuasion

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Theory Development

Measurement

Applications/Relevance
Consumer Behavior
Globalization

Topic

Things you always wondered
about Cross-Cultural
Research and didn't have the
time to find out

Does Culture Matter?

- **Increasing trend in globalization**
- **Several U.S. corporations like McDonald's, Coke are successful**
- **Many U.S. corporations fail**

Reasons for Failure

Political, Economic and Legal factors

Cultural Differences

**Failure of the communication/
advertising strategies**

**Lack of knowledge about consumer
behavior**

Consumers are different

Attitudes

Colgate in Poland

Biases

Courtesy Bias

Kentucky Fried Chicken (HK)

Advertising Effectiveness (Thailand)

Country of Origin Effects

Cultural Stereotypes

■ **Consumers have stereotypes of countries**

◆ **French Perfumes**

◆ **French Wine**

◆ **Japanese Electronics**

◆ **German Engineering**

Country of Origin Effects

- Consumers use country of origin information to evaluate products
- Favorable country of origin perceptions are reflected in favorable product evaluations
(Maheswaran 1994)

Overview

- ◆ Explored how consumers from an individualist culture (USA) and a collectivist culture (Japan) evaluated a new product manufactured in the home (vs. foreign) country (Gurhan-Canli and Maheswaran 2000)

Findings

- ◆ Individualists will prefer home product only when it is superior to competition.
- ◆ Japanese preferred the home product regardless of product superiority

IMPLICATIONS

◆ Japanese Cosmetics Market

- ◆ Skin care vs. Beauty care

- ◆ Only a Japanese company knows how to take care of the delicate Japanese skin

- ◆ KAO Vs. P &G

Diapers

Advertising

Individualist cultures

Only when the product is superior - Chrysler

◆ Collectivist cultures

Generally a good strategy - Singha Beer in Thailand

Pre-Testing

- *Qualitative Research to examine the efficacy of the stimulus materials*
- *Focus Groups*

Lessons from Japan

- Hierarchical
- Group oriented - Consensus
- In-group vs. out-group
- Loss of face is a no..no

NATION EQUITY

NATION EQUITY

- Consumers use the brand, the corporation and the country when buying products in the global market place

NATION EQUITY

■ Ethnocentrism Effect

◆ Japan

■ Animosity Effect

Antagonism towards the country

◆ AMEX

■ Lack of Image

◆ Norway



Language

- ◆ Bilinguals
- ◆ English, Hindi and Nepali
- ◆ Different samples from the same population
- ◆ Use of different languages triggered either an English or Nepali orientation

When Gerber started selling baby food in Africa, they used the same packaging as in the U.S., with the beautiful baby on the label. Later they learned that in Africa, companies routinely put pictures on the label of what's inside, since most people can't read English.

- ◆ When Parker Pen marketed a ball-point pen in Mexico, its ads were supposed to have read, “It won’t leak in your pocket and embarrass you.” Instead, the company thought that the word, “embarazar” (to impregnate), meant to embarrass, so the ad read, “It won’t leak in your pocket and make you pregnant.”
- ◆ A Japanese travel agency opened a branch in New York and advertised its trips to the orient. It received hundreds of calls for sex package tours. The perplexed Japanese manager later learned that “Kinki Travels” has a different meaning in English!

- ◆ Pepsi's, "Come alive with the Pepsi Generation" translated into, "Pepsi brings your ancestors back from the grave," in Chinese.
- ◆ Frank Perdue's chicken slogan, "It takes a strong man to make a tender chicken" was translated into Spanish as, "It takes an aroused man to make a chicken affectionate."

Cultural Variations in Country of Origin Effects

Zeynep Gurhan-
Canli

Durairaj Maheswaran

JMR 2000

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Cultural Orientation

INDIVIDUALISM

SELF AS INDEPENDENT

WESTERN EUROPE, USA

COLLECTIVISM

SELF AS INTERDEPENDENT

EASTERN COUNTRIES

Cultural Orientation

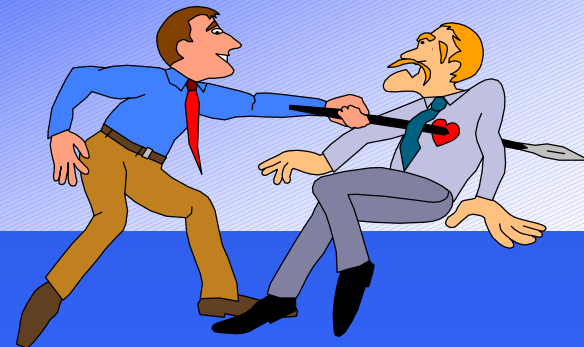
- **COLLECTIVIST**

- group welfare
- fitting-in
- cooperation
- interdependent
- relationship



- **INDIVIDUALIST**

- individual goal
- standing alone
- competition
- independence
- performance



Research Objectives

- Cultural variations in coo effects
- Individualism-Collectivism as a theoretical framework
- Beyond Individualism-Collectivism and identify the vertical/horizontal dimensions that account for country of origin differences

Experimental Design

- 2 X 2 X 2 - Between Subjects design
 - ◆ 2 Cultural orientation
(Individualism/ Collectivism)
 - ◆ 2 Country of origin
(Japan/USA)
 - ◆ 2 Product description
(Superior/Inferior)

Hypotheses

■ Individualist Culture (USA)

- ◆ Competitive Orientation

- ◆ Self-Enhancement

- ◆ Evaluations

 - ◆ Superior Product Description

 - $E_{\text{home}} > E_{\text{Foreign}}$

 - ◆ Inferior Product Description

 - $E_{\text{home}} = E_{\text{Foreign}}$

Hypotheses

■ Collectivist Culture (Japan)

- ◆ In-group Orientation

- ◆ Group-Enhancement

- ◆ Evaluations

 - ◆ Superior Product Description

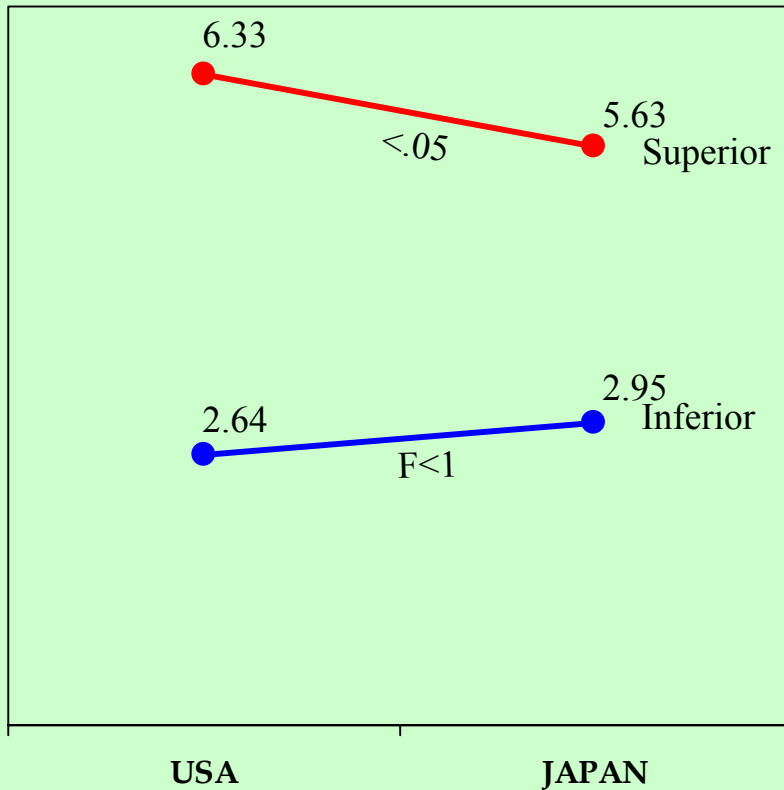
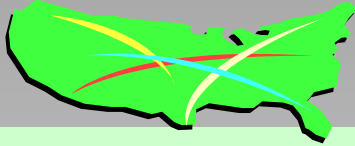
 - $E_{\text{home}} > E_{\text{Foreign}}$

 - ◆ Inferior Product Description

 - $E_{\text{home}} > E_{\text{Foreign}}$

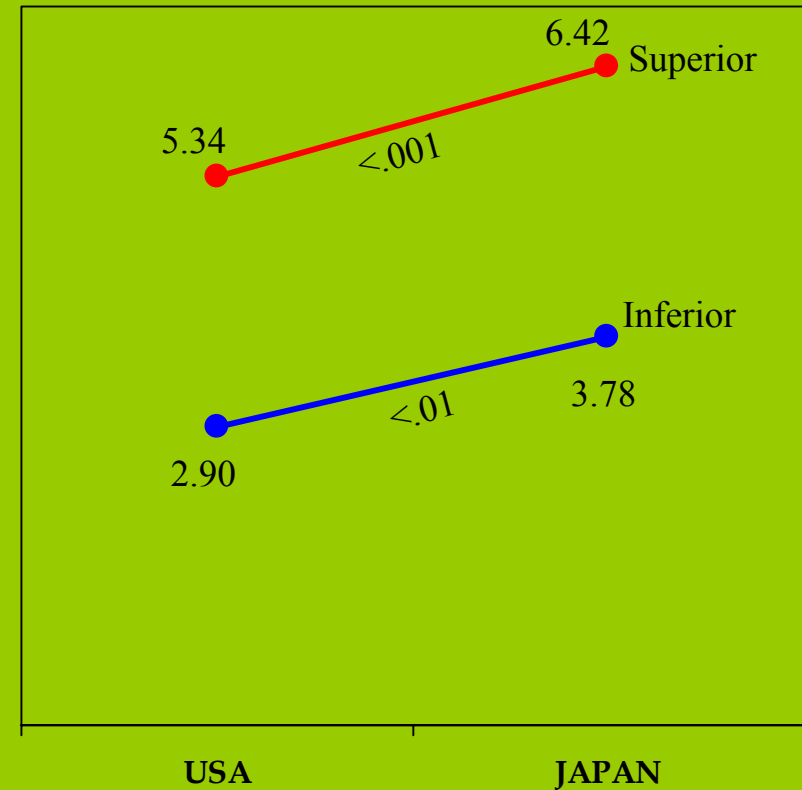
EVALUATIONS

Individualist



Country of Origin

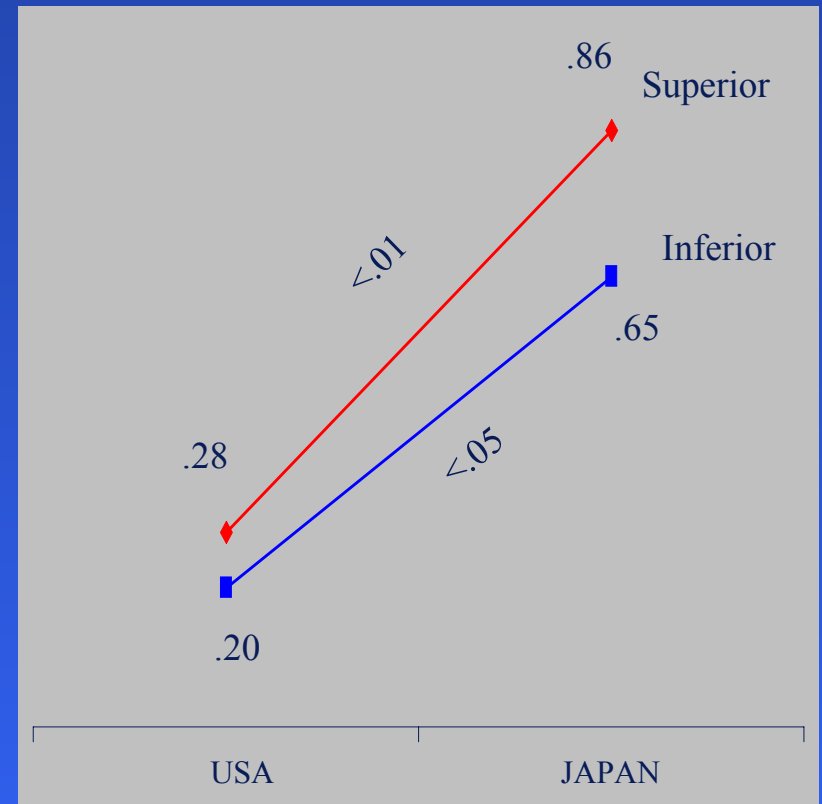
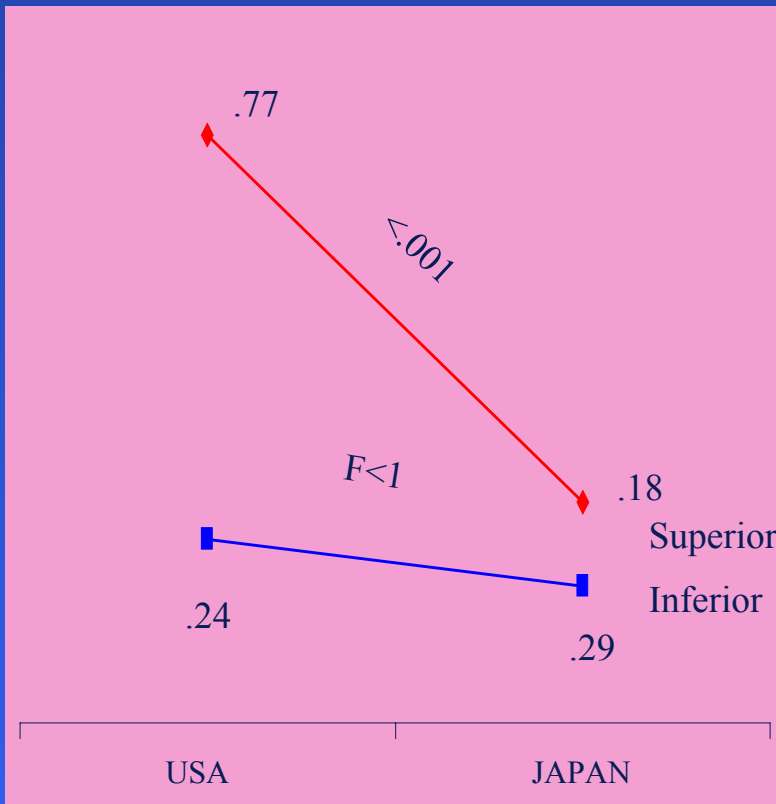
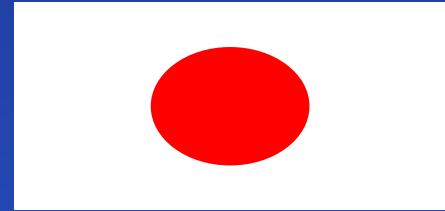
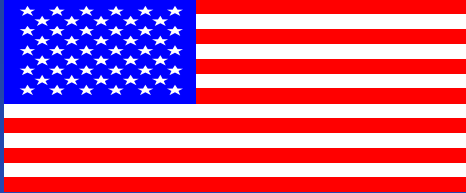
Collectivist



Country of Origin

CULTURE X COO X DESCRIPTION $p<.05$

COO Thoughts



COUNTRY OF ORIGIN

CULTURE X COO X DESCRIPTION $p<.05$

Mediation Analyses

- The Effects were mediated by Vertical Individualism in the United States and Vertical Collectivism in Japan

Dimensions of Individualism /collectivism

Vertical Individualism

- ◆ Hierarchical
- ◆ Achieving higher status by competition
- ◆ Self-enhancement at the expense of the group
- ◆ USA, France

Horizontal Individualism

- ◆ Equality
- ◆ Distinct
- ◆ Unique
- ◆ Do their own thing
- ◆ Norway, Sweden

Vertical Collectivism

- ◆ Hierarchical
- ◆ Superiority of the group
- ◆ Sacrifice personal goals for group interest
- ◆ Commitment to in-group
- ◆ Japan, S. Korea

Horizontal Collectivism

- ◆ Interdependent with group
- ◆ Share common goals
- ◆ Similar to other members
- ◆ Do not subordinate self goals to that of the group
- ◆ Israel