# Universitetet i Stavanger

# Cultural Differences and International Marketing

Lars Bergkvist
Professor of Marketing
Norwegian School of Hotel Management
University of Stavanger



What is the cultural background of the owner of this car?





# A Cultural Experience

# Agenda

- What Is Culture and Why Is It Important?
- Different Cultures
- Cultural Differences
- Marketing and Culture

# What Is Culture and Why Is It Important?

## What Is Culture?

"Culture refers to the mental frames and meanings that are shared by most people in a social group."

"Culture is a shared pattern of categorizations, attitudes, beliefs, definitions, norms, values, and other elements of subjective culture."

### Culture influences...

- ✓ ...how we understand ourselves
- ✓ ...how we understand the world
- ✓ ...how we think
- √ ...how we relate to people
- ✓ ...how we relate to social norms
- ✓ ...how we interpret situations and events
- ✓ ...how we behave
- ✓ ...what we buy
- ✓ etc.



What Do You See?



# **Different Cultures**

## Individualism vs. Collectivism

## Individualism

- Independent self
- Personal goals
- Attitudes determine behavior
- Exchange relationships

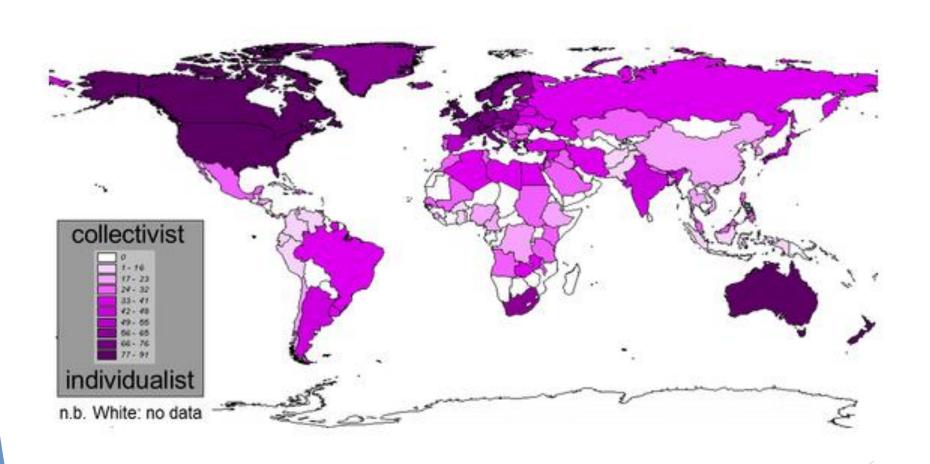


## Collectivism

- Interdependent self
- Ingroup's goals
- Norms determine behavior
- Communal relationships



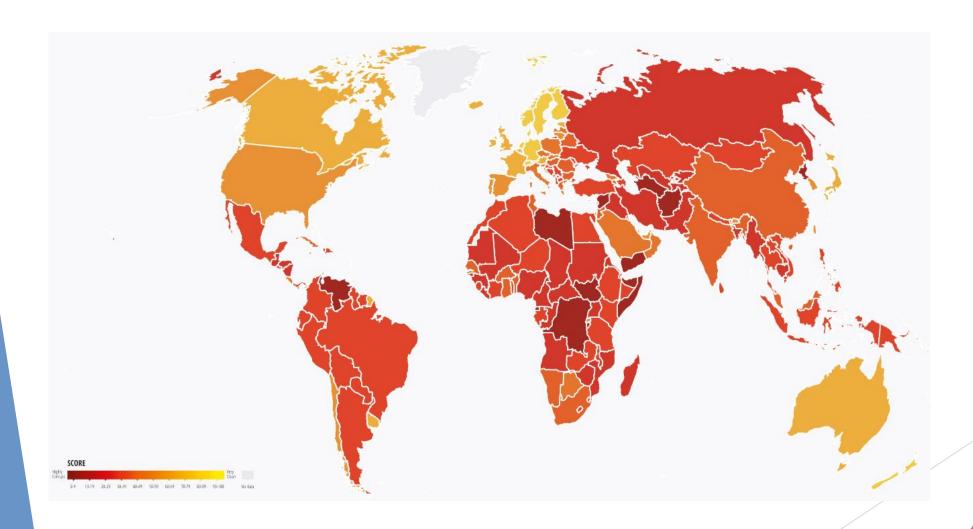
## Individualism vs. Collectivism



## **Cultural Differences**



## Trust





# Group Membership

# Other Cultural Differences

### Individual-level differences

- Attention, perception, and thinking
- "Face"
- Need for social status
- Perceptions of beauty
- etc.

### Business-level differences

- Hierarchies
- Networks and relationships
- Contracts
- Drinking
- etc.

# Marketing and Culture

## Marketing and Culture

- Culture influences consumers with respect to
  - Preferences
  - Importance of social norms and other people
  - Importance of brands
  - Willingness to pay
  - Service expectations
  - Usage and consumption patterns
- Culture also influences consumers' response to advertising



# Consumer Preferences: Self-Expression

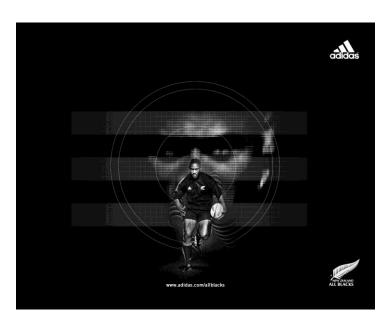
- People use brands, consumption, and activities to express their identities to themselves and others
- Individualism
  - People want self-express by showing that they are different from others
- Collectivism
  - People want self-express by showing that they are similar to their ingroup



# Advertising









# Advertising





SEE THE BRIGHTER SIDE OF LIFE.





# Green Hats in China

## Managerial Recommendations

- Understand the importance of culture
- Research the target country's culture
  - Many online resources
  - Movies, TV, music, etc.
  - ► Healthy skepticism towards culture books
- Find out what products mean and how they are used
- Adapt the marketing mix (unless you choose a global strategy)
- Beware of seemingly similar cultures







AUSTRALIA

Football

### Never underestimate the importance of local knowledge.

To truly understand a country and its culture, you have to be part of it.

That's why, at HSBC, we have local banks in more countries than anyone else. And all of our offices around the world are staffed by local people.

It's their insight that allows us to recognise financial opportunities invisible to outsiders. But those opportunities don't just benefit our

Innovations and ideas are shared throughout the HSBC network, so that everyone who banks with us can benefit.

Think of it as local knowledge that just happens to span the globe.



# Thank you for your attention!