

Chapter 7

Challenges of Cross-Cultural Marketing in the Current Times: To Be or Not to Be Global

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ABSTRACT

Cultural values shape perceptions and behaviors. Cultures are getting transfused in a highly globalized world due to immigration within countries, frequently changing political structures, and pronounced generational differences. Digital technology in the form of social media predominantly has blurred national boundaries. But, disillusionment with global brands has also been observed. International marketers are being criticized for minimizing cultural particularities. The enhanced nationalist sentiments may reshape international marketing in the coming years.

INTRODUCTION

The impact of cross-cultural marketing is obvious in the highly globalized world. In the United Kingdom, Indian tikka masala curry is the most popular convenience food today, displacing the traditional fish and chips. Eastern spiritual practices such as yoga and meditation have made a global reach and impact. Major MNCs like

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Starbucks, Pizza Hut, McDonalds, Netflix, Amazon Prime have expanded their businesses in other countries after customizing their products as per the local tastes. They recognised, understood, and respected local cultures. Netflix and Amazon Prime have been successful in remodelling viewer habits by regularly altering content.

People's habits, their perceptions, their aspirations, and their consumption patterns are influenced by the cultures they live in. Across countries, there are cross-cultural variations in consumer behaviour. There are differences as well as similarities. All these put together, have implications on marketing strategies nation by nation. For multinational companies, the issue is not whether to market a brand in other countries but how exactly to do it so that there is maximum acceptance and minimum backlash. Without a doubt, understanding the cultural dimensions of a society has always been important in achieving the success for a brand.

Culture is defined by a common language, set of norms, beliefs, values, practices, artefacts and many other cultural dimensions. In 1983 Levitt affirmed the possibility of 'homo cultural' marketplace where customers across the world can be persuaded by the same marketing and advertising appeals, irrespective of cultural differences. This was challenged by researchers who suggested that advertising is strongly influenced by local culture (Retnowati, 2015). Theorists, including Albers-Miller, Hofstede Pollay and Gallagher claimed that culture affects choices. Geert Hofstede developed a framework for cross-cultural communication popularly known as Hofstede's (2011) Cultural Dimensions (Retnowati, 2015). Hofstede defined culture as a collective programming of society that affects people's behaviour. He arrived at six dominant dimensions of the model:

1. power distance index (PDI)– It's the extent to which people expect, accept and follow authority
2. individualism vs. collectivism (IDV)–It's how people think of themselves, more as an individual or as part of a cohesive group
3. masculinity versus femininity (MAS)–It's the degree of assertiveness and competitiveness in a society, more being masculine and less being feminine
4. uncertainty avoidance index (UAI)–It's the extent to which people tolerate ambiguity in their lives
5. long term orientation versus short term normative orientation (LTO)–It's how people prioritize traditions in comparison to modernity
6. indulgence versus restraint (IVR)– It's how people exercise restraint for long-term benefits in comparison to instant gratification

Hofstede's framework has been immensely popular among practitioners and researchers because of its undeniable practicality. Scholarly critiques pointed out the overuse of Hofstede's national cultural dimensions as a major conceptual

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