Globalization, Culture and Marketing Strategy: 
Introduction to the special issue

Michel Laroche, Guest Editor, Concordia University

Please direct correspondence to:

Dr. Michel Laroche, FRSC
Royal Bank Distinguished Professor of Marketing
Department of Marketing
John Molson School of Business
Concordia University
1455 de Maisonneuve West
Montreal, Quebec, Canada H3G 1M8
Tel: (514) 848-2424 ext. 2942
Fax: (514) 848-4576
Email: laroche@jmsb.concordia.ca

Michel Laroche is the Royal Bank Distinguished Professor of Marketing, John Molson School of Business, Concordia University, Montreal, Quebec (Canada).
Globalization, Culture and Marketing Strategy:  
Introduction to the special issue

Abstract

This special issue of the *Journal of Business Research* features eleven articles selected from the papers presented during the fifth meeting of the Royal Bank International Research Seminar which took place in Montreal at the John Molson School of Business, Concordia University, September 25 and 26, 2009. They cover topics related to globalization, cultural values, global consumer behavior, market segmentation, marketing strategies of emerging economies, consumer socialization, materialism, service quality, and government actions.

*Key words:* Globalization, culture, marketing strategy, cultural values, global consumer behavior
1. Introduction

The fifth meeting of the Royal Bank International Research Seminar took place in beautiful Montreal at the John Molson School of Business, Concordia University, September 25 and 26, 2009. To mark the 10th year anniversary of the creation of this seminar series, there will be a special sixth Royal Bank International Research Seminar as part of the Global Marketing Conference to take place in Tokyo on September 9-11, 2010.

The main topic of this fifth international research seminar was to explore globalization, culture and marketing strategy. This seminar was intended to bring together international scholars interested in advancing knowledge on the impact of globalization and culture on various aspects of marketing strategy. The role of culture in the consumer decision-making process is still an important area of research in light of the trends toward global markets and the global consumer culture (Cleveland and Laroche, 2007), thus the new emphasis on globalization, as well as the growth of services around the world (Uelstchy et al., 2007). I hope that this special issue will stimulate further research and participation in the seventh seminar to take place on September 23 and 24, 2011. Please contact me at laroche@jmsb.concordia.ca for further information on this event.

The seminar started on Friday with a plenary session by Arch G. Woodside (Boston College, USA) entitled: Gestalt models of culture’s consequences on international experiential (tourism) consumption, a very interesting application of fuzzy theory to experiential consumption. It also featured a Saturday luncheon speech by Guilherme D. Pires (University of Newcastle, Australia) entitled: A market framework for ICT driven consumer empowerment, a useful assessment of the evolution of the digital media and the rise of consumer empowerment which suggested a number of interesting new avenues of research.

A total of 22 papers were selected for presentation following one round of double-blind reviews. These papers covered a variety of topics related to the main theme, including product strategies, communication strategies, retail strategies, internet marketing, methodological considerations, intellectual property rights and corporate philanthropy. In terms of methodology, some authors used qualitative approaches, and others provided empirical tests of structural equations models. Several national cultures and ethnic groups were the focus of the papers, from the USA, Canada, China, Germany, Russia, and the U.K. to Turkey, Poland, Tunisia, Taiwan, India and Estonia, and from Hispanics in the U.S. to ethnic groups in Canada and Australia.

This special issue features 11 articles that were selected after several rounds of full reviews. They are described next based on the similarity of topics covered in the articles.

2. Globalization and cultural values

First, Cleveland, Erdoğan, Arikan, and Poyraz (The relationship of cosmopolitanism to individual- and cultural-level values: A cross-cultural study) looked at the associations of individual- and cultural-level values to cosmopolitan dispositions, and compared these relationships between Canadian and Turkish respondents. Their findings supported the cross-cultural applicability of the cosmopolitanism (COS) construct. While some of the relationships were consistent between the two cultures, others were found to differ. Finally, cosmopolitanism was more strongly associated with Schwartz’s (1999) values than with either Hofstede’s (1980) cultural dimensions or demographics.

Next, Tobacyk, Babin, Attaway, Socha, Shows, and James (Materialism through the Eyes of Polish and American Consumers) compared the material values scale (Richins and Dawson, 1992) between Polish and American respondents. Cultural differences suggested lower
materialism for Poles than for the Americans. This supported the hypothesis that a strong local culture resulted in maintenance of traditional values in defense against global forces. Contrary to predictions, no Polish-American materialism differences were found, which supported the hypothesis that increasing globalization led to uniform worldwide materialism. A confirmatory factor analysis suggested difficulties with the scale limiting the confidence in using this scale. Future research should aim at developing a measure of materialism with greater construct validity for cross-cultural research.

Finally, Ladhari, Pons, Bressoles, and Zins (Culture and personal values: How they influence perceived service quality) analyzed the relationships of culture and personal values on service quality. Data were collected from 509 Canadian and 216 French respondents. Among the findings, ‘power distance’ and ‘uncertainty avoidance’ influenced service quality. Some personal values (‘self-fulfillment’, ‘self-respect’, ‘sense of accomplishment’ and ‘security’) influenced service quality. The findings showed that the relationships of personal values (micro-level) and culture (macro-level) on service quality were distinct.

3. Globalization, culture and consumer behavior

First, Mazaheri, Richard, and Laroche (Online consumer behavior: A comparison between Canadian and Chinese website visitors) developed a model of online consumer behavior based on Zajonc’s (1980) theory of emotions and Mehrabian and Russell’s (1972) Stimulus-Organism-Response framework. The model included emotions (pleasure, arousal, and dominance) and site atmospherics (informativeness, effectiveness, and entertainment). This model was compared between Canadian and Chinese respondents based on Hofstede’s (1991) cultural values. Among the findings, the model was supported and several non-invariant paths between the groups were identified. Particularly, the impact of pleasure (dominance) on the other variables was higher for Canadian (Chinese) compared to Chinese (Canadian) respondents; the impacts of low (high) task-relevant cues were stronger for Chinese (Canadian) than for Canadian (Chinese) respondents.

Second, Bartikowski, Walsh, and Beatty (Culture and relationship age as moderators in the corporate reputation and loyalty relationship) investigated culture and relationship age as moderators in the relationship between customer-based corporate reputation (CBR) and customer loyalty. Data were collected from retailing and fast-food restaurants in France, the U.K. and the U.S., countries that differ on uncertainty avoidance and time orientation. Among the findings, CBR had similar effects on affective and intentional loyalty in all countries; culture interacted with relationship age: relationship age magnified the impact of CBR in France, while it suppressed its impact in the U.K. and the U.S. They provided explanations for these findings using several cultural theories.

Third, Hamzaoui, Merunka, and Bartikowski (Impacts of brand origin and country of manufacture on brand equity: Moderating role of brand typicality) investigated how country macro and micro images associated with brand origin (BO) and country of manufacture (COM) affected brand image and brand quality. Data were collected from Tunisian respondents. Among the findings, whereas BO images related positively to these two dimensions of brand equity, COM images affected brand quality, not brand image. The typicality of the brand moderated the effect of BO on brand equity, i.e., the impacts of BO on brand equity were stronger when the brand is more typical.

Finally, Yang and Laroche (Parental responsiveness and adolescent susceptibility to peer influence: A cross-cultural investigation) focused on how parental responsiveness affected
adolescent susceptibility to peer influence directly, and indirectly, through interdependent self-construal, self-esteem, and self-monitoring. Culture moderated these effects and data were collected from Canadian and Chinese families. Among the findings, in individualist cultures such as Canada, responsiveness reduced susceptibility through an indirect effect by undermining interdependent self-construal, fostering self-esteem, and impairing self-monitoring; in collectivist cultures such as China, responsive parenting reduced susceptibility through a direct effect. These findings are due to cultural differences in socialization goals oriented toward individualism versus collectivism.

4. Globalization, culture and market segmentation

Pires and Stanton (Revisiting the substantiality criterion: From ethnic marketing to market segmentation) examined the meaning and application of substantiality for market segmentation and target selection based on ethnic groups. Their objective was to consider key dimensions of a minority group to ascertain potential substantiality. The challenge for market segmentation is to measure substantiality a priori. Using the Portuguese community in Sydney (Australia) they describe a screening approach based on appraising minority group resources to enable such an assessment. This approach may have applications to other consumer subcultures.

5. Globalization, culture and marketing strategy of emerging economies

First, Qu, Yang, and Wang (A Multi-Level Framework of Open Source Software Adoption) proposed and tested the effects of five country-level variables and two firm-level factors on firm open source software (OSS) adoption. Among the findings, uncertainty avoidance orientation had a positive influence on OSS adoption, whereas power distance orientation and economic development had a negative influence; uncertainty avoidance set boundaries for the influence of IT-based networks, i.e., the influence of proprietary IT-based networks was strengthened, but that of open IT-based networks was weakened when uncertainty avoidance was high compared to when it was low.

Second, Javalgi and Todd (Entrepreneurial orientation, management commitment and human capital: The internationalization of SMEs in India) extended the literature on the internationalization of SMEs in India and their relationships to entrepreneurial behavior, firm resources, and commitment to internationalization. They collected data from 150 Indian SMEs. Among the findings, the international success of Indian SMEs was related to entrepreneurial orientation, commitment to internationalization, and ability to leverage human capital.

6. Globalization, culture and government action

In the last paper, O’Connor (Development of intellectual property laws for the Russian Federation) examined the Russian intellectual property laws and identified adaptations that western nations should make when dealing with other entities in the Russian Federation. He assumed familiarity with Russian history, language, and geography. Since the collapse of the Soviet Union in 1992, the Russian Federation created a new body of intellectual property law, abandoning the philosophy of denying the existence of intellectual property in favor of laws recognizing private development and ownership of such property. The author advises domestic firms to retain experienced lawyers to deal with negotiations with Russian managers.
7. Conclusion

By adding to the body of knowledge developed since the first Royal Bank International Research Seminar in 2001, these articles advance our understanding of the role of culture and culture change on the consumer decision-making process, the emerging global consumer culture, and the ensuing marketing strategies. Some areas like marketing communications are well developed, while others are still awaiting new developments. More work is needed on other aspects of marketing strategy, such as international branding issues dealing with language (Richard and Toffoli, 2009), global pricing issues, global distribution issues (i.e. retailing, internet commerce, and global services), global industrial and business-to-business issues, and so on. Also, researchers need to continue developing, testing and validating measurement instruments that are invariant across cultures; developing consumer decision-making models that are invariant across cultures; finding new approaches to studying the global consumer culture, to better understand the cultural impacts of the Internet and so on.

Finally, I am extremely grateful to all the reviewers who provided double duty in first selecting the papers for the fourth Royal Bank International Research Seminar, and second in helping finalize the articles for this special issue. They kindly provided authors with very constructive comments and suggestions. My sincere thanks go to: Ian Alan (SUNY-Geneseo, U.S.A.); Jill Attaway (Illinois State University, U.S.A.); May Aung (University of Guelph, Canada); Barry J. Babin (Louisiana Tech University, U.S.A.); Sharon Beatty (University of Alabama, U.S.A.); Emmanuel Chéron (Sophia University, Japan); Mark Cleveland (University of Western Ontario, Canada); René Y. Darmon (ESSEC, France); Alain d’Astous (HEC-Montreal, Canada); Mitch Griffin (Bradley University, U.S.A.); Leila Hamzaoui (University of Ottawa, Canada); Rajsheshwar (Raj) G. Javalgi (Cleveland State University, U.S.A.); Chankon Kim (Saint Mary’s University, Canada); Ebrahim Mazaheri (Concordia University, Canada); Brent McKenzie (University of Guelph, Canada); Nicolas Papadopoulos (Carleton University, Canada); Guilherme D. Pires (University of Newcastle, Australia); Frank Pons (Laval University, Canada); P.M. Rao (Long Island University, U.S.A.); Nathalie Spielmann (Reims Business School, France); Lefa Teng (University of Guelph, Canada); Ivonne M. Torres (New Mexico State University, U.S.A.); Linda Ueltschy (Bowling Green State University, U.S.A.); Gianfranco Walsh (University of Koblenz-Landau, Germany); and Lianxi Zhou (Brock University, Canada).

References


Mehrabian A, Russell JA. The basic emotional impact of environments. Percept Motor Skills, 1974;38:283-301.


