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CHAPTER 1

CULTURE AND BEHAVIOR

Culture is a very important factor that can influence not only the business world, but also human behavior in general. Studying culture can help firms in gaining competitive advantage in international markets and it can also help people around the world to better understand how to deal with each other. In fact, the same gesture or sentence could be interpreted differently across countries: one gesture could be considered neutral in one culture and offensive in another and, by knowing this difference, people can avoid possible conflicts or misunderstandings. The objective of this chapter is to analyze culture and its possible implications. The first part will be focused on the concept of culture and its main elements. The second part will study the concept of consumer behavior and how it changes across cultures. The third part of the chapter will focus more on the difference between Western and Eastern cultures, in particular their origins, main principles, values and effects on consumer behavior and marketing strategies in general.

1.1 THE MEANING OF CULTURE

Nowadays, thanks to technological progress, many barriers or obstacles that in the past limited the possibility for firms to expand their activities around the world, do not exist anymore. Today we can make video calls to people that are on the other side of the world with little to no costs and efforts, or we can easily travel to another country in a matter of hours whereas in the past it would have taken days. Even with all these technologies, however, there are some “barriers” that cannot be easily surpassed, and these are represented by cultural differences. Culture has been the subject of many studies during the years and its importance has been increasing more and more. In fact, firms that wish to compete and succeed in foreign markets must consider, among other aspects, the culture that characterizes that particular market, because it influences many aspects such as consumer behaviors, preferences or even the way companies do business and interact with each other. As a matter of fact, the term “blunder” is generally used to indicate avoidable mistakes made by companies that enter in foreign markets, caused by poor knowledge or complete ignorance of the local culture (Dalgic, Heijblom, 1996). One

example can be the failure of Ebay in succeeding in the Chinese customer to customer (C2C) online market. Ebay entered the Chinese auction market in 2003, by acquiring a local company called EachNet, and planned to gain most of the Chinese C2C market in the same way it managed to do in other countries. At the same time, however, the local e-commerce company Alibaba established, to compete with Ebay, a new C2C trading platform called Taobao. This competition ended in 2006, when Ebay decided to retire from the Chinese C2C market. Nowadays Taobao owns more than 95% of the local market share and one of the reasons for Ebay's failure was its lack of knowledge regarding the importance, in the Chinese culture, of the concept of "guanxi", which means "relationships" or "social connections". In fact, whereas in the Ebay platform customers had to use other applications to contact the sellers, in Taobao they could see directly whether the seller was online and contact him immediately through the platform without paying any additional costs, closing the gap between buyers and sellers and favoring a relationship based on trust.

Therefore, culture is an element that is deeply rooted in all individuals and societies, affecting behaviors, beliefs, attitudes, communications and in general having consequences on every aspect of human life, including economic spheres.

1.1.1 Definition and elements of culture

Culture is a very complex concept that embraces many different branches of research and, therefore, even nowadays there isn't a clear agreement on its definition. The anthropologist Geertz (1973, p. 44) introduces a semiotic concept of culture and defines it as "a set of control mechanisms – plans, recipes, rules, instructions (what computer engineers call "programs") – for the governing of behavior". In fact, he views humans as animals whose behavioral patterns are shaped by culture, because it can be considered a "system of inherited conceptions expressed in symbolic forms by means of which men communicate, perpetuate, and develop their knowledge about and attitudes toward life". So, without these symbols and signs, human behaviors would be composed by what he calls a series of pointless acts and exploding emotions which don't have any patterns and meaning.

Hofstede (2001, p. 9) instead sees culture as "the collective programming of the mind that distinguishes the members of a group or category of people from others". So, culture

defines a group of people and not only the single individual, because it is a phenomenon that is shared by people subjected to the same social environments. Since childhood, everyone goes through a process of learning and acquisition of “mental programs”, which refer to patterns of thinking, feeling and acting, that change with different social contexts. Whereas in most Western countries, people use silverware to eat individually one dish or course at a time, in Eastern countries like China, people use chopsticks and generally prefer to share with other people all the dishes that are served at the same time. In other countries, such as India, instead, it is perfectly normal to eat with the hands, even though this is viewed by many Western cultures as rude and unacceptable. Therefore, even the ordinary actions such as eating habits are affected by the social context in which an individual lives and grows up. Does this mean that all the people from the same community should think, feel or act in the same way? Of course not. Culture represents only one part of the mental programming. Hofstede distinguishes three different levels of mental programming (figure 1).



Figure 1: Mental programming¹

At the base there is a universal level which is shared by all human beings and is denominated the “human nature”, referring to traits that every person inherits because they are human, like the ability of feeling happiness. At the top there is the level of

¹ Source: [http://www.slideshare.net/ifaecarter/lessons-from-the-marketing-campaign-trail-using-social-media-to-engage-multicultural-communities-3996532/10-Mental Programming Specific to Inherited](http://www.slideshare.net/ifaecarter/lessons-from-the-marketing-campaign-trail-using-social-media-to-engage-multicultural-communities-3996532/10-Mental-Programming-Specific-to-Inherited)

“personality”, specific to the individual and not shared with other people, that determines the possible different behaviors of the individuals belonging to the same group. Then, between human nature and personality, there is “culture”, something that is learned and shared by a group or category of people living in the same social context and that influences, as an example, the way in which a person expresses his happiness. Thus, culture determines also the difference of one group’s general behavior from another and can be used to interpret and understand the behavior of different communities.

So far we have introduced three main attributes of culture. First, it is learned by belonging to a particular social context and not inherited genetically like with human nature, and this implies that it is possible to learn other cultures as well. Second, it is shared with other people of the same category and it is a collective phenomenon, that can involve all types of groups, from the small ones such as families to big ones as entire nations. Culture, however, has other important characteristics as well and one of them is that it is composed by many implicit elements.

As it touches every aspect of human life, culture comprises so many different elements that maybe it would be easier to say which ones are not included. In fact, it encompasses concepts such as language, values, national character, orientation toward time and space, customs and traditions, social organizations or religion. Yet only a few of these elements are explicit and easily understood. Most scholars agree that many cultural concepts are implicit or hidden and are difficult to perceive, but without knowing them it is impossible to fully understand and interpret one culture (Hall, 1976; Schein, 1996). Hall in particular distinguishes between “obvious culture” and “unconscious culture” and specifies that the latter outnumbers the explicit culture “by a factor of one thousand or more”, implying thus that the hidden cultural elements are in reality a lot more than those observable. It is possible to use the analogy of an iceberg in order to represent this distinction. People can only see the tip of an iceberg and, by seeing it, they generally think that it is pretty small, but in the reality, below the surface of the water, the iceberg is a lot bigger than its tip and only by going underwater they can see it. The same happens with the two layers of culture, for which reason it is necessary to search below the surface in order to recognize the implicit concepts.

Another type of model representing culture is Hofstede’s onion diagram (2001, 2010). According to this model, culture has four main layers that can be represented like an onion, where each layer encompasses a deeper one and in order to see the lower level, it is

necessary to peel off the outer layer (figure 2). The most superficial manifestations of culture are symbols, followed by the concepts of heroes and rituals. These three concepts are in turn incorporated by the term “practices” because, as they are more tangible, the three layers can be trained and learned through repetition and habits. The cultural meaning of these practices, however, is invisible and dependent on the interpretation of an insider of the cultural group. A person that travels around Spain by car can find beside the roads a very big sign with the shape of a black bull: that is the Osborne bull. This sign has become a symbol of the Spanish culture and it represents the tradition of the Spanish “corrida de torros”, which means bullfighting or tauromachy. Many outsiders may consider this tradition as barbaric and try to obliterate it, especially those people fighting for animal rights, but for Spanish people the “corrida” is a ritual that represents their history and identity, so much that bullfighting is still legal in most Spanish regions and in some places it is even protected by law as an asset of cultural interest. At the core of Hofstede’s model, finally, there are values, which are defined as “broad tendencies to prefer certain states of affair over others”. These values are acquired since childhood and are generally hidden. They become notable through behaviors because they are attached to strong emotions or feelings that lead an individual or group to prefer one belief such as good instead of evil and highly influences the way an individual acts in certain situations.

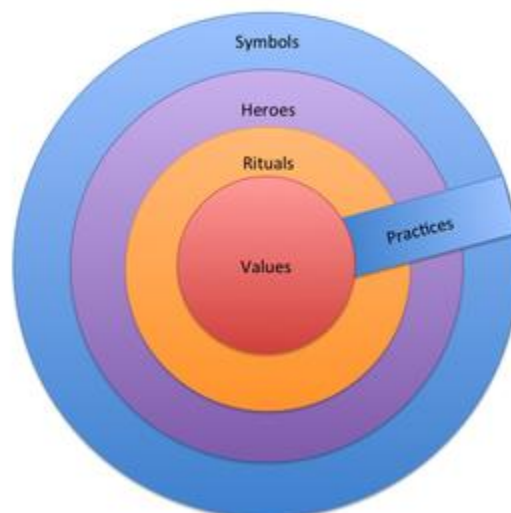


Figure 2: Onion diagram with its different layers of culture.²

² Source: <http://www.herr-paul-consulting.com/blog/germany-us-hofstede-cars>

Also Trompenaars (1998) introduces a model of culture in layers. In his model, culture is represented by three layers instead of four. First there is the outer layer which is composed by explicit products and artifacts of culture, which are the first things that an individual encounters when approaching a culture, such as language, food or monuments. Then, on a middle level there are norms, meaning principles of what is right and wrong, and values, that determine the ideals and definitions like what is good or bad. Finally, at the core of the model, there are basic assumptions, which are implicit and refer to the most basic values of human existence and to how people act and adapt themselves in order to survive in their environments.

Thus, from all these theoretical models it is possible to see that culture is a very rich and complicated concept that is, as already said before, composed by many different elements. As they are too many, we are going to explore more in detail only the most significant ones, starting with Hofstede's concepts of symbols, rituals and heroes.

1.1.1.1 Symbols, heroes and rituals

Symbols are defined as “words, gestures, pictures, or objects that carry a particular meaning that is recognized as such only by those who share the culture” (Hofstede, 2010, p. 10). So, a symbol is anything that can be used to represent something else or to remind members of a culture of its values or beliefs. It can have many different forms: it could be a material object, something written or verbal or a way of performing an act. Symbols, moreover, don't have always the same meaning. In fact they can be interpreted differently across cultures and can also change meaning with time. Symbols are used as way of communication and are present in everyday life. It could be said that symbols followed humans through their evolution, because even the prehistoric man developed a way to draw images representing animals or acts of hunting on the walls of their caves. Moreover, symbols can be used to communicate different meanings. In fact, even though symbols are very often connected to religious beliefs, they can represent also other concepts such as social status. In ancient China clothing was a very important symbol: color, length, width and decorations of clothing were all different according to the social status. The emperor was the only one allowed to wear the dragon robe, which was generally a yellow robe with an embroidered dragon and anyone who would dare to wear it, was punished with death. Nowadays too, clothing, as well as cars or homes, are used as a way to represent

social status. In the military, for example, ranks are represented by different stripes or insignias on the uniforms and medals are given as a symbol of recognition of courage and sacrifice.

Heroes instead are individuals that have characteristics highly valued by a culture and thus are seen as an example of behavior. They can be real individuals of the present or the past, but they can also be imaginary people. Every child in his mind has a hero that he wants to imitate and this hero could be represented by his parents, siblings or an imaginary superhero, like Superman or Spiderman. The recent trend of superhero movies at the cinemas shows a variety of options from which a child can choose. Besides different cultures could have different hero roles as it depends also on the history or myths related to a certain context. In America perhaps the most patriotic superhero could be Captain America, a fictional character represented by a frail art student who, thanks to an experimental serum, becomes a hero during the World War II and wears a costume with the colors and the stripes of the American flag. In India they have Mr. India, a music teacher who turns into a hero that fights against corrupt bureaucrats and businessmen. In Japan, instead, people have Ultraman, another fictional character that saves Japan from the extraterrestrial attacks.

Another element of culture are rituals, that are collective activities essential on a social level even though some of them seem useless or superfluous. In fact, in some countries there are rituals that are essential to properly perform an act such as the way of greeting or paying respect to someone. Japan is known for its tea ceremony or for the ritual of bowing as a sign of respect, because these rituals are part of the Japanese tradition and culture. Even when they receive a gift, Japanese cannot simply say "thank you". In accordance to the level of familiarity between beneficiary and benefactor, they have to perform a linguistic ritual, the "o-rei", using particular types of verbs or speech, where the recipient of the gift emphasizes through benefactive verbs and debt-sensitive formulae his gratitude and intention of repaying the debt and the benefactor replays with a denial of the credit. The goal for this linguistic ritual is to achieve a temporary restoration of the equilibrium. Many Asian cultures in fact believe in the equilibrium of things, so when somebody receives a gift, he must restore, even in the long term, the equilibrium by giving a gift as well. (Ohashi, 2008). This is also represented by the Chinese idiom "礼上往来" (li shang wan lai), which emphasizes the importance of reciprocity, so you have to give back what you receive, whether it is a gift or just politeness.

1.1.1.2 Cultural values

Values were defined in 1973 by Rokeach as “an enduring belief that one mode of conduct or end-state of existence is preferable to an opposing mode of conduct or end-state of existence” (cited in Clawson, Vinson, 1978; Hofstede, 2001; De Mooij, 2014). The concept of values encompasses many different social fields and it has a high impact on consumer behaviors because values influence the needs that consumers have to satisfy. Values are generally learned and acquired since childhood, as they are passed from generation to generation in every culture, mostly in an implicit way. They are normally stable and enduring overtime, so they are essential for a better understanding of differences in behaviors among cultures (De Mooij, 2011). Members of a specific culture implicitly know which state of being is considered preferable, like for example the notion that being clean or optimistic is better than being dirty or pessimistic, and they consider these values completely normal until they encounter members of another culture with different values. Hofstede (2001) distinguishes between two types of values: the desirable and the desired. The desirable values are guiding principles that show an individual what should be desired, what is right or wrong and what should be preferable for the people in general. The desired values, instead, indicate what people really want and consider important for themselves.

During the years there has been many scholars who tried to find an instrument or system that could efficiently measure values and help in the cross-cultural studies. Rokeach develops the Rokeach Value Survey (RVS), composed by two different sets of values, which are 18 instrumental values with ideal modes of behavior, like cheerfulness, cleanliness or courage, and 18 terminal values with ideal end states of existence, as true friendship, mature love or happiness. He then asks each participant to rank these values (Beatty et al, 1985; Kamakura, Novak, 1992). This system has received different types of criticisms. Some scholars argue that it is difficult for people to rank so many values (Kamakura, Novak, 1992); other suggested that, as the RVS was designed based on an American cultural context basis and it was tested only in the United States, it is not the best system for a cross cultural comparison (Hofstede, Bond, 1984). Also Clawson and Vinson (1978) criticize the RVS arguing that ranking is considered less informative than an interval or ratio scaling, as it can't distinguish between “permanent esteem of the value

or situational need for the value”, because participants’ responses can be influenced by their personal economic or social conditions and their immediate needs.

Another instrument for measuring values is VALS, the Value and Lifestyles research developed by Mitchell, where he asks participants a series of questions and distinguishes nine different classes of lifestyles to which people belong. These classes are survivors, sustainers, belongers, emulators, achievers, I-am-me, experiential, societally conscious and integrated (Kahle et al, 1986). VALS has later been redefined in order to better predict consumer behaviors and it is nowadays used as a marketing instrument for consumer-based segmentation, with slightly different changes from country to country in order to accommodate the fact that, even though the driving psychological traits are similar, the status symbols change across cultures (Alon et al, 2013).

A further alternative value measurement instrument is the List of Values (LOV), which was developed by researchers of the University of Michigan. The LOV system is based on the Rokeach’s Value Survey, but it reduces the number of values to nine in total, which are self-respect, security, warm relationships with others, sense of accomplishment, self-fulfillment, sense of belonging, being well respected, fun and enjoyment in life and excitement (Kahle et al, 1986). The LOV method includes only the terminal values from the RVS: the values of accomplishment and self-respect are identical, but all the other values are a combination of the RVS terminal values. According to this method, respondents are asked to identify the two most important values out of nine, reducing and simplifying in this way the testing procedure. Moreover, Beatty et al. (1985) demonstrate that the List of Values has more items that influence individuals’ daily life, whereas the RVS has many items that are not relevant in a consumer behavior study. They also indicate that there is a particular relationship between individual behavior and value endorsement. For example, people endorsing the value of fun and enjoyment in life prefer more exciting activities, including doing all types of sports like skiing, whereas people choosing the value of security prefer instead more passive activities, like watching sports events or having hobbies.

1.1.1.3 Language and communication

Language has a very deep relationship with culture. Nowadays there are around 6500 spoken languages in the world and people use language everyday because it is one of the most important ways of communication. Language evolved through time along with human society and the culture and history of each group, so it can be considered as a sort of representation of a community's culture. Some scholars furthermore say that language represents people's thoughts, as we use it to express them, while at the same time it shapes how we see reality and what we think (Boroditsky, 2010). Jiang (2000) affirms that there are many metaphors that can be used to describe language. Some people see it as a mirror of the culture, but he emphasizes the fact that language and culture can't exist without each other. He compares these two concepts to a living organism which is made of flesh and blood: the human body is made of flesh which gives it shape, but without blood running inside it, the body would be dead. The same can be said with culture and language: culture cannot exist without language because it needs it to express itself, but at the same time language would be dead without culture.

Cultural differences are reflected on language in many ways like its grammar, vocabulary, pronunciation and accent. For example, there are some words that are typical of one culture and don't have the proper translations in other cultures because they don't share the same values. In Japan and in general the Asian cultures, education of the children is a very important aspect: only if the child has a good education and high grades, he will be able to find a good job and that's why parents tend to force their children to study almost all the time. In Japanese there is one word with no specific translations in other languages: the "kyoikumama", which literally means "education mama" and refers to the stereotyped figure of the Japanese mother that relentlessly pushes her children to achieve good academic performances, even by causing in some cases physical or psychological damages. Also the Spanish language has words that are typical of its culture. The word "sobremesa" literally means "over the table", but in the Spanish culture it represents the tradition or custom of Spanish people to spend some time, even hours, relaxing after a meal, drinking coffee or a digestive liquor and conversing with friends or family.

Moreover culture is reflected also on how people use verbs or nouns. In Australian English it is common to create "affectionate abbreviations" of the first names because of Australian's love for informality: so Sharon becomes Shaz, Caroline or Catherine becomes

Caz or Alice turns in Al. These types of abbreviations are generally short, they very often finish with a consonant like “z” and they must be distinguished from the affectionate diminutives typical of the English language, such as Katie or Suzie for the first names Catherine or Sharon. The affectionate diminutives generally represent an affection towards a person that is a feeling similar to the fondness felt for a child, whereas the affectionate abbreviations reflect Australian attitudes and their need for showing concurrently roughness and friendship. In fact Australian abbreviations are used to communicate affection towards a person, while at the same time people avoid giving the recipient of the abbreviation the impression that he is being treated as a child and show that the addresser is a tough person as well (Wierzbicka, 1986).

Language and communication can be expressed in different ways. It is possible to distinguish between verbal and non-verbal communication. Non verbal communication refers to what is exchanged through communication implicitly, without talking or writing and with other ways such as body language, facial expressions or gestures. Verbal communication instead uses words and sentences that have an explicit meaning and that are very often combined with non-verbal and implicit messages as well. In both cases, a key element is the context of the message, which refers to the words that come just before and after a word, sentence or statement and that influences the way people interpret the real meaning of the message. Hall (1976) in particular differentiates cultures based on the role of context in communication and identifies two groups: low-context and high-context communication cultures. In the high-context communication, the majority of the information necessary to understand the message is “either in the physical context or internalized in the person”, meaning that little is said explicitly and much is taken for granted, so cultures belonging with this type of group, such as Asian and Middle Eastern countries, are able to interpret the message correctly and implicitly without problems. Members of the same high-context culture share a similar background, education and values, so they are able to understand unspoken words and the hidden messages behind spoken words. Contrariwise, in the low-context communication cultures like Switzerland, Germany and United States, very little is taken for granted and everything must be said explicitly, leading thus to a lower probability of linguistic misunderstandings that are very common with high-context cultures. In fact, when the meaning is implicit, members of a low-context and in general a member of another culture have great difficulties in truly understanding the message, whereas an explicit message is more accessible, even to

outsiders of the group, and easier to comprehend. Furthermore, Hall expands his cross-cultural theory by including in his classification also the different orientations toward time and space.

1.1.1.4 Orientation towards time and space

Different cultures perceive the concepts of time and space differently. In some cultures there is the saying “time is money” because time is seen as an economic good, a scarce resource that is independent from the wealth of an individual. As a matter of fact, even the richest person in the world has the same twenty-four hours of time in one day and is not able to increase the time at disposal. This belief can influence the way people behave and make decisions because they try to allocate the time in the best way possible. It could have repercussions also on the relationship that a group of people has with the concept of punctuality and patience. In fact, in a culture that perceives time as a scarce commodity good, punctuality is seen as essential for the maximization of utility, so for example it’s very important to arrive in time for the beginning of a meeting and schedules or deadlines must be followed rigidly. In those cultures in which time is not perceived as a commodity good, instead, punctuality is not essential, so even arriving twenty minutes late, as it happens in Latin America, is not seen as a problem.

Moreover cultures can have different temporal orientations, whether towards the present, the past or the future. In past oriented cultures such as Japan, the evaluation of the present is based on the past, so there is high respect for traditions and a strong ancestor worship. Also some European countries present this type of orientation and that’s why they give a lot of importance to history and invest in old buildings and museums. Present oriented cultures instead are more focused on the current conditions and tend to prefer short-term goals and quick results, whereas cultures with an orientation towards the future prefer long-term goals and are willing to sacrifice short-term gains today for obtaining more tomorrow (Usunier et al, 2014).

Another difference is between linear time and circular time. Cultures, like the American one, that believe in the linearity concept see time as a sequence of events, which are compartmentalized and are in a precise point in a line that goes through past, present and future. With circular time, cultures, including Asian countries, rather see time as cyclical and repetitive, so without a distinction between past, present and future. This

differentiation is reflected also on language, in particular in the use of verbs: countries with a linear concept of time such as Italy have different tenses for verbs depending on whether they indicate a past, present or future event; in countries like China, with a cyclical view of time instead, verbs don't have tenses.

In his cross-cultural theory, Hall (1959, 1976) identifies and links to his high-context and low-context cultures, two views of time as well. He studies in particular how people use and allocate time and their task scheduling behaviors and differentiates between monochronic and polychronic cultures. Monochronic cultures, which tend also to be low-context, are characterized by the fact that people generally do one task at a time, are very organized and everything has preset schedules. Their main focus is on the objective or task and in particular on when the task must be achieved, because it comes before everything else. Polychronic people, who tend to be high-context, give less importance to time and schedules: they generally do many things at the same time, are not very organized because they are easily distracted from the task at hand and can easily modify their schedules. In fact they focus on what is achieved and not when and give more priority to interpersonal relationships rather than schedules.

Also the perception of space is different across countries. Cultures determine the personal space, that is the physical distance between people that keeps a person comfortable when communicating with another. The typical Spanish or Italian way of greeting a friend with a hug or an air kiss on the cheek would be seen inappropriate in countries like China because they have a different idea of personal space. The concept of personal distance is strictly related to that of territoriality, that is the act of laying claim to a certain territory or space and defending it. So a person particularly territorial will do everything in his power to defend what he considers belonging to him: for example, when a person is sitting on the train, the simple act of putting a bag in the seat next to him can be interpreted as a way of defending his personal distance and telling others not to sit there. Territoriality has different degrees that varies depending on the person, but it is also influenced by the culture in which a person belongs to. Hall (1959) recognizes people with high territoriality, which tend to be low-context cultures, and low territoriality, that are generally high-context cultures. People with high territoriality have a strong sense of ownership and tend to mark up their areas, which leads also to conflicts when the boundaries established by two parts overlap each other and possible reasons for these conflicts can vary from the smallest things such as the space of a desk at work, to bigger

problems like national disputes over a certain territory. People with low territoriality, instead, have a lower concern for ownership of space and are more willing to share their territory or what belong to them to others.

1.1.2 CULTURAL CLASSIFICATION OF COUNTRIES

In the last paragraph it has been introduced the concept of culture and some of its main elements. In this paragraph we will introduce the classification of countries on the basis of cultural differences, which is fundamental for international marketing purposes and consumer behavior studies. In fact, as already said previously, international firms need to understand what are the main cultural differences between the host and the home market in order to avoid mistakes that could lead to complete failures. In the previous paragraph we have explained Hall's cross cultural theory, which distinguishes cultures between high-context and low-context communication, but there are many other different ways of categorizing cultures. It is possible to use descriptive characteristics or dimensions of national culture in order to create a framework for cross cultural studies. The concept of national character is very important for the classification of countries. National character is based on the idea that people living in a certain nation-state share common behavioral patterns that give that country a distinctive character from the other nations. This type of study has been criticized for many reasons. First it is very difficult to generalize the behavior of the people living in a nation, because in the same country there could be smaller groups which share different values and beliefs. These smaller groups are called subcultures, which are composed by people who share a common characteristic such as religion, ethnic background, language, age or just a particular interest, that makes the group different from the characteristics of the national culture. As they are formed around a characteristic that can be found everywhere no matter the country, subcultures are not confined by national borders (Alon et al, 2013). For example there are the subcultures of bikers, who share an interest in motorcycle and often meet together in order to travel around in group, or the subculture of cosplayers, who represent people all around the world with an interest towards role play and wearing manga or anime costumes. In addition, the assessments and perceptions on national character are based on indirect experience, so they are inaccurate and can lead to discrimination,

ethnocentrism and creation of stereotypes instead of real national characteristics (Peabody cited in Clark, 1990).

In spite of these criticisms, however, national character is still viewed as a useful tool to explain cultural differences between countries for strategic decision making and consumer decision making (Clark, 1990). In fact studies of national culture can be used as a “model distribution of traits or a pattern of tendencies”, meaning that they can explain the general behavioral patterns of a nation and not the individual ones.

Gannon (1994) proposes the use of descriptive metaphors to compare national cultures, that is by creating a holistic image that conveys how people may think or behave, international firms are able to know people’s reactions towards certain situations and strategies. He analyzes expressions of cultures, including religion, interests, language, behavioral patterns, educational systems, family structure and social class structure and identifies descriptive metaphors for 16 different cultures. The metaphors are the Italian opera, the French wine, the British house, the German symphony, the Japanese garden, the Turkish coffeehouse, the Russian ballet, the Belgian lace, the Swedish “stuga”, the Spanish bullfight, the Chinese family altar, the Nigerian marketplace, the American football, the Indian Shiva’s dance, the Irish conversation and the Israeli “kibbutzim” and “moshavim”. These metaphors are a sort of illustrations that emphasize what a community values the most and they can be used as a guide or starting point for cultural comparisons. The Turkish coffeehouse, for instance, is a representation of Turkish people’s daily life and shows four characteristics that mirror Turkish culture: Islam and secularity, communication, male dominance, simplicity and modesty (see figure 3a). Because of its history and geographical position, Turkey can be considered as a meeting point between western and eastern culture. Turkey is a secular nation, meaning that its main institutions like governments, schools or businesses are independent from the Islamic religion, so Islamism doesn’t have the same power or influence over Turkish people as it happens in other Islamic countries. This doesn’t mean that religion is not important. In fact Turkish people are still very religious and respect the practice of the five daily prayer periods, even though this is more evident in small towns rather than in urban cities. As a consequence one of the most important places in Turkish towns is the mosque, where people gather together for their prayers. There is however another most important place for social gathering and that is the coffeehouse. Coffee has been introduced in Turkey during the Ottoman empire and since then it has become part of the

Turkish culture and life. Communication is very important in Turkish culture and the coffeehouse represents the information center: it is the place where everyone gathers to share information and make discussions or just to relax and enjoy company. A peculiar aspect of the coffeehouses is that their structures are generally modest and simple: they are characterized by basic furniture and a familiar and informal atmosphere. This is because Turkish culture values substance more than form, so the most valuable aspect of coffeehouses is that they represent a place of release from the stress of everyday life and of community integration. The other characteristic of the coffeehouse is that its main customers are generally male of every status or age, reflecting the male dominance in the Turkish culture, even though it is less evident in larger cities.



Figure 3: a) The Turkish coffeehouse³ and b) The Swedish stuga⁴

Another example is the Swedish “stuga”, which is the typical Swedish summer house, a small and simple building made of wood, painted in a traditionally maroon color and situated generally in the middle of nature, where Swedish people like to spend their summer vacation (see figure 3b). The “stuga” reflects three of the most important values of Swedish culture: love for nature, individualism and equality. Swedish people are fervent environmentalists, so they have a deep respect towards nature and use their stay in the “stuga” as a way to reconnect with nature. Moreover they use their stay also for self-development, implying that they usually prefer to go alone or with a very small group of people at most, mirroring the Swedish individualism character. Finally, Swedish people feel very strong towards the recognition and defense of individual rights and in particular

³ Source: <http://www.turkishcoffee.us/media/turkish-coffee-pictures/coffeehouse/>

⁴ Source: <http://visitoland.com/en/visit/stuga-fiske-oland/>

the principle of equality. This is reflected in the “Allemansratt”, the right of public access, according to which everyone is allowed to roam freely in the countryside, even if it is a property owned by someone else, so that everyone can have full access to nature at the condition of not harming, disturbing or damaging wildlife or crops. From these examples it is possible to see that each of Gannon’s metaphor includes characteristics that reflects the most important aspect of a certain culture.

As mentioned above, another way of classifying cultures is by analyzing the dimensions of national character and the three major dimensional models are Hofstede’s framework, the Schwartz Value Survey and the GLOBE model. These three models all try to categorize cultures on the basis of shared values or beliefs and are created by aggregating responses taken from individuals. There has even been a debate between the Dutch scholar Hofstede and the GLOBE researchers. Hofstede (2006, 2010) argues that the GLOBE dimensions are mainly based on his framework and criticized it with various argumentations, including the procedure used for the conceptualization and measurement of culture and also the fact that it is a theory-driven analysis, being US inspired and thus being biased. This has led to a discussion that has involved not only the GLOBE researchers (Javison et al, 2006), who defend their framework by criticizing in turn Hofstede’s model, but also other scholars as well (Smith, 2006). Nevertheless, each model use different types of samples and ask different patterns of questions, so it will be useful to explain each one of them more in detail.

1.1.2.1 Hofstede’s cultural dimensions

Hofstede’s framework is nowadays widely used for international marketing research, in particular for comparative cross-cultural studies in consumer behavior. Hofstede (2010) developed his model by analyzing a large database based on a worldwide survey made by the multinational corporation International Business Machines (IBM) to the managers and employees of its subsidiaries in 66 countries. The data was collected in a period between 1967 and 1973 and was later revised more than once to add more countries in his study and to improve his model. The purpose of his study was to understand the differences in employees work-related behavior, and how their values and work motivations change across countries. In fact by analyzing responses from people belonging to the same company he was able to eliminate the influence of corporate culture

and focus on the differences in behavior created by nationality. In his initial model he recognized four different dimensions of national culture: power distance, individualism versus collectivism, masculinity versus femininity and uncertainty avoidance.

Power distance is defined as “the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally”. So power distance reflects the way people deal with inequalities in power or authority inside organizations, referring to work places, and institutions, like a family, school or community. In order to classify cultures in terms of power distance, Hofstede creates the Power Distance Index (PDI) based on three types of questions, that show the level of relationships dependence inside a country. The first two questions are related to how respondents regard their daily work, in particular how often are employees afraid of disagreeing with their boss and whether the boss has an autocratic or paternalistic decision making style or not. The third question shows what are respondents’ preferences regarding their ideal working environment, that is whether they prefer a consultative boss who consults with subordinates in order to make decisions or not. The survey shows that the three answers are correlated: in fact when there is an autocratic or paternalistic boss, the employees are often afraid of disagreeing with him or her and vice versa and respondents prefer a non-consultative boss. Contrariwise, when employees are not afraid of disagreeing with their boss too much and their boss is not too autocratic or paternalistic, respondents show a preference towards a consultative boss. Therefore cultures can be distinguished based on their PDI scores. Countries with a low PDI scores are called low power distance cultures and are characterized by an interdependent relationship between members with authority and their subordinates and a strong feeling towards the equality of rights and opportunities. Children are encouraged by their parents into becoming more independent, they are treated more as equals the more they grow up and at school they can ask questions or disagree with their teachers. In the working environment, there is a flat hierarchical pyramid characterized by a small number of supervisory personnel and subordinates expecting to be consulted before making a decision. Countries with a high PDI, instead, are called high power distance cultures, where there is a strong dependence relationship between subordinates and people with authority. In these types of cultures there is a social hierarchy with rules and obligations that are followed naturally by the members of the community, so authority roles are accepted and respected without disagreements. Children are taught

how to respect their parents and elder people, including an older sibling, and have to be obedient, even towards teachers at school, where they can speak only when invited to. At work there is a tall organizational pyramid based on inequality, where the power is centralized in the hands of few people and subordinates expect to be told what to do.

The second dimension of Hofstede's model is individualism versus collectivism and refers to how people value themselves and their group or organizations. In the survey respondents are asked to grade the level of importance that they attribute to a set of fourteen work goals, including personal time, freedom to approach the job, level of challenge, having training opportunities, having good physical conditions and the opportunity to fully use their skills and abilities. From the data collected, Hofstede calculates the Individualism Index (IDV), with which he distinguishes countries between individualistic and collectivistic cultures. In individualistic cultures IDV is high, identity value is in the person and each person wants to differentiate himself from the others. People grow up to look only after themselves and their nuclear family, they learn to think in terms of "I", have a more extrovert and independent personality and their individual interests prevail over the collective ones. Even at work, it prevails the management of the individuals where the employees are economic persons who act in the employer's interests only if these coincide with their own. Collectivistic cultures, on the contrary, are characterized by in-groups where the identity is based on the social network of a person. Children grow up thinking in terms of "we" and with the idea of protecting their extended families or in-group in exchange of loyalty. Collectivistic people have a more interdependent and introvert personality and act in the interests of their in-group. Moreover Hofstede affirms that individualistic cultures tend to be also universalistic, so they think that the same values should be shared by everyone and they treat people on the basis of who they are as individuals without looking at which group they belong. Collectivistic cultures, on the other hand, are exclusionist, meaning that they recognize that different groups have different value standards: they treat people accordingly to their respective groups and they tend to try achieving good relationships inside their groups while at the same time they tend to be indifferent towards the members of out-groups.

The third dimension is masculinity versus femininity, which is related to the emotional gender role and the dominance of masculine or feminine values. In the same 14 work goals proposed to respondents for the Individualism Index, some of them are used to calculate the Masculinity Index (MAS). These work goals are earnings, recognition, advancement,

challenge, employment security, a desirable living area, cooperation in the work environment and having a good relationship with the superiors. Cultures with a high MAS are characterized by the dominance of masculine values, so people give more importance to acquisition of wealth, and a clear distinction in the emotional gender roles. Men are very competitive, assertive and ambitious and aim at advancement and success in their careers, whereas women should be caring, gentle and taking care of the house and the relationships within the family. Countries with a low MAS are called feminine cultures and are characterized by the focus on relationships rather than monetary achievements and an overlap of social gender roles. So both men and women should be modest and tender and should focus on relationships and the quality of life.

The fourth dimension is uncertainty avoidance, which expresses how people deal with uncertainty and ambiguity and is defined as “the extent to which the members of a culture feel threatened by ambiguous and unknown situations”. Three questions of the survey show a strong correlation to each other and are used by Hofstede to calculate the Uncertainty Avoidance Index (UAI). These three questions refer to the level of job stress, the level of respect of the rules and the preference towards a long-term career in the same company. In countries with a high UAI, uncertainty is seen as a threat that provokes high levels of stress and anxiety. People tend to express more their emotions, in particular when stressed, and see what is different as dangerous. At work they prefer larger organizations, are more loyal and committed towards a long-term career in the same company and in general they are more unhappy and worried about health and money. Countries with a weak uncertainty avoidance have low levels of stress and anxiety because they accept uncertainty as a normal part of life. People are less expressive, so they don't express particularly their emotions and aggression and worry less about health and money. Even at work they are less loyal to the employer, so the duration of their employment in the same company tends to be shorter and they prefer smaller organizations with not too many rules.

In addition to these four dimensions, Hofstede also added, in two different circumstances, two other dimensions, which are long-term versus short-term orientation and indulgence versus constraint. Long-term orientation cultures are more related to the Confucian philosophy and foster virtues oriented towards future rewards, like perseverance and thrift. Members of a long-term oriented society tend to save a large part of their income for the future, they see family life as a pragmatic arrangement and they teach their

children about humility and being tenacious in pursuing their goals. Short-term oriented cultures, on the other hand, are more related to the past and the present, so they foster values such as respect for tradition, preservation of face and concern for social and status obligations. So people are more focused on the short-term results, they save only a small part of their income and see marriage as a moral arrangement and humility as a feminine virtue.

The latest dimension added in the model, finally, is indulgence versus restraint, which was developed by the researcher Minkov and is related to the concept of happiness. This dimension is based around three questions: the level of happiness, how much control a person has of his life and the importance of leisure. From this it is possible to distinguish between a more restrained culture or an indulgent culture. An indulgent culture tends to give more importance to leisure, friends and a higher control of personal life. There's a higher percentage of happy people and a more positive attitude and feeling of satisfaction. A restrained culture is characterized by stricter social norms, that makes people feel powerless in deciding for their own life, causing them to be more in general pessimist and cynic. There's a lower percentage of happy people and less importance is given to leisure and friends.

1.1.2.2 Schwartz Value Survey and the GLOBE Survey

The other major frameworks are represented by the Schwartz Value Survey and the GLOBE Survey. Shalom Schwartz's theory is based on the concept that values are desirable goals that "serve as guiding principles in the life of a person or other social entity." (Schwartz, 1994) He affirms that every person and society has to cope with three universal requirements, which are the needs of individuals, a coordinated social interaction and a smooth functioning and survival of groups. In order to cope with these requirements, people create appropriate goals, communicate them to the other members of the group and cooperate with each other for their pursuit. In order to mentally represent and express these goals, values are used (Schwartz, 2012). Schwartz identifies ten distinct types of values that express the motivational goals derived from the three universal requirements. The values are self-direction, stimulation, hedonism, achievement, power, security, conformity, tradition, benevolence and universalism. For instance, the value of hedonism defines the goal of achieving pleasure or gratification for

oneself and the value of stimulation represents excitement, novelty and challenge in life. These ten values are in turn organized into four different dimensions, which are openness to change, self-enhancement, conservation and self-transcendence. The different values form a dynamic relationship as some of them are congruent with each other, but at the same time they can be in conflict with other values, so they are represented in a circular structure. (figure 4)

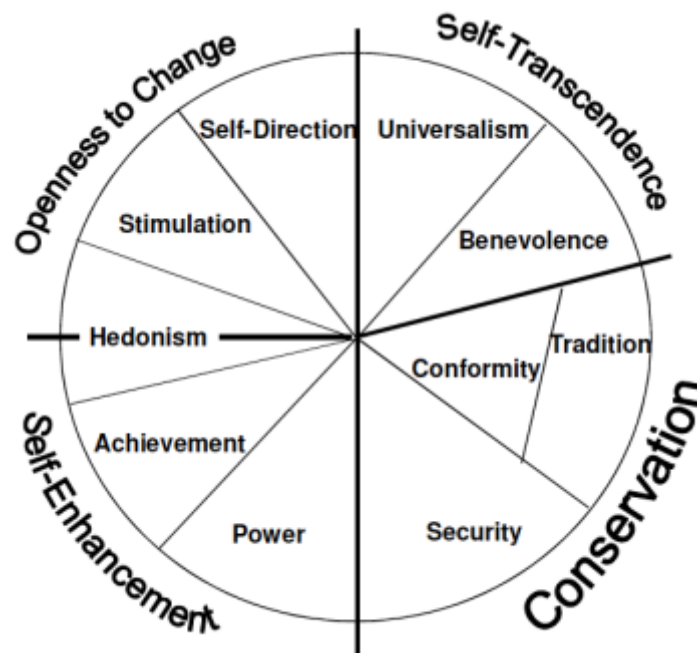


Figure 4: Schwartz theoretical model of human values⁵

As an example the value of achievement, which defines goals such as independent thought and action, is compatible with the value of power, which represents social status, prestige and control over people and resources, but it goes in contrast with the value of benevolence, related to the preservation of the welfare of the members of the in-group. Moreover, in order to measure the values across cultures, Schwartz creates a survey value, composed of two lists of value items, all of them included in the ten basic values because they represent one aspect of a motivational goal. Following Rokeach's theory, in the first list there are 30 values that represent in noun forms desirable end-states, whereas in the second list there are 26 or 27 values, that indicate desirable ways of acting using adjective forms. By asking respondents to rate each value in terms of their importance as guiding

⁵ Source: <http://alfanos.org/Blog/?p=464>

principles in their lives, the Schwartz Value Survey enables the possibility of studying individual value differences.

Differently from Hofstede and Schwartz, the GLOBE research project (Global Leadership and Organizational Behavioral Effectiveness) aims at studying the different cultural values and practices in order to predict their impact on leadership and organizational processes. The GLOBE project involves about 170 researchers, who collected data from managers of 62 different countries. The survey proposed to respondents is based on nine cultural dimensions, which are performance orientation, assertiveness orientation, future orientation, humane orientation, institutional or societal collectivism, in-group collectivism, gender egalitarianism, power distance and uncertainty avoidance. These dimensions are inspired from Hofstede's cultural dimensions. Power distance, future orientation and uncertainty avoidance are the same as Hofstede's ones, whereas the masculinity/femininity dimension has been divided into gender egalitarianism, referring to the level of gender discrimination in a society, and assertiveness orientation, which is the degree of aggression and confrontation between individuals in social relationships. Furthermore, the individualism/collectivism dimension has been divided as well into two dimensions: societal collectivism, indicating the degree to which organizations and institutions encourage collective action, and in-group collectivism, referring to how much individuals express their sense of loyalty, pride and cohesiveness. The remaining two dimensions are performance orientation, which is the extent to which society encourages and rewards group members for their performance levels, and humane orientation, expressing the degree to which individuals are encouraged and rewarded for being fair, altruistic, friendly and kind to others. By using these dimensions as a reference, the GLOBE survey was composed by items regarding cultural practices, with the "as is" format questions, and cultural values, with the "should be" format questions. From the results of the survey, researchers were able to derive six leadership dimensions, that differentiate leadership qualities in terms of cultural profiles and these are: charismatic/value based, team oriented, self-protective, participative, human orientation and autonomous (House et al, 2002; Javidan and Dastmalchian, 2009).

1.2 CULTURAL EFFECTS ON CONSUMER BEHAVIOR

Have you ever seen a woman jogging with her baby in a stroller? If you visit the capital of Norway Oslo, you will notice the presence of lots of parks and natural environments. The Norwegian culture, like the Swedish one, is characterized by a deep respect and love towards nature and this is reflected in the behavior of its people. Norwegian people like spending their free time outdoors instead of their homes: they prefer jogging or playing sports, having a barbecue at the park with friends or just sitting on the grass and relaxing. So it is totally normal for Norwegian mothers to take their babies outside all the time, even while jogging, because they strongly believe that fresh air and nature are the best for them. For this reason when shopping for a baby stroller, Norwegian consumers use different values for product evaluation and choose the stroller that is better qualified for their needs, meaning that they would prefer a stroller with bigger and stronger wheels that can handle rocks, bumps or paddles.

This is an example of how culture can influence consumer behavior: different beliefs and values are reflected also in differences about what consumers may need and how they choose their products or generally behave. It is essential for firms and marketers to understand what factors can influence consumers into buying a certain product instead of another and culture is one of these factors. Nowadays there is a high level of competition between firms, so the number of products belonging to the same category, some identical and others with slightly different features, is increasing more and more. Everyday consumers have to decide between a myriad of options and choose only those products that can fulfill more their needs. So the companies that better understand the factors influencing consumer needs will be also the more successful ones. Before analyzing the cultural effects, however, it is necessary to first understand what we mean by consumer behavior.

1.2.1 What is consumer behavior?

Peter and Olson (1999), by recalling the American Marketing Association definition, view consumer behavior as “the dynamic interaction of affect and cognition, behavior, and environmental events by which human beings conduct the exchange aspects of their lives”. In this definition, the authors recognize three key aspects of consumer behavior. First of

all, consumer behavior is dynamic because consumer values, needs, society and other external factors keep changing overtime, so there is the necessity for marketers to continuously improve and adapt their strategies to these changes. It is moreover an “interaction”, a sort of combination of cognition, affect, behavior and environmental events: these are different aspects related to the consumer and they refer to what he thinks, how he feels, what he actually does and the contextual factors. Lastly the third key aspect is that consumer behavior involves an exchange between human beings, as the satisfaction of a need through consumption generally involves multiple actors, like for example when a person, in order to satisfy his needs, buys a product or service from another person and gives something else in exchange.

A broader definition is given by Solomon (2006), who describes consumer behavior as “the study of the process involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires”. In this definition Solomon underlines the fact that consumer behavior is a process that involves all the aspects influencing not only the purchase itself, but all the stages before, during and after it. Consumer behavior helps in explaining the reasons why consumers buy products, the factors that influence the purchase decision, how and when consumers buy and from whom they prefer buying.

Consumer decision making process in fact can be composed by five different steps. Mothersbaugh et al. (2007) describes the first phase as problem recognition, that is the “result of a discrepancy between a desired state and an actual state that is sufficient to arouse and activate the decision process”, where actual state is the way the consumer perceives his feelings and situation and the desired state is the way he wants to feel at a certain point. In this phase the consumer becomes aware of a need that is triggered either internally, externally or by a combination of both. For example, an internal trigger could be the case where a consumer feels hungry and decides to buy something to eat or is simply feeling dissatisfied regarding the quality of his computer and wants to find a better one. An external stimulus instead could be the advertisement of a new product that induces the consumer to buy it or a conversation with a friend about the new products in vogue at the moment that creates a temptation. After becoming aware of a need, the consumer will start searching for all the information about possible solutions for his problem. This second phase begins with an internal search where the consumer analyses his need and what could possibly fulfill it, establishing also the guidelines and constraints

for a possible purchase. Afterwards the consumer starts an external information search, which, depending also on the urgency and the importance of the needs, consists of passive reception of information from other sources or an active acquisition of knowledge through personal, commercial or independent sources and personal experience. In many cases the consumer is subjected to an information overload because of the presence of too many choices and this can lead the consumer to become frustrated and shorten his research. The third phase is the evaluation of the alternatives, where the consumer analyses the different information collected and compares the features of each option, using different criteria according to the type of product. The depth of this evaluation is influenced too by the importance and the urgency of the need. Let's consider for example a person who wants to buy a new car because he's going to become a father and he needs something bigger for when the child will arrive. He will probably gather a lot of information and consider deeply each characteristics of the different cars before making a decision. So he will probably value more size, price, safety, durability, but also style and quality for each car. And this will take time and effort in order to choose the best solution for his need. But not always consumers spend so much time in gathering information and evaluating options. Sometimes emotions and contextual situations can force the consumer's decisions. A man without car who has to start in the next days a new job as manager with a very high salary, but in a place that needs to be reached by car, will probably go to the nearest car dealer and choose hastily between those cars that have immediate availability. And also with products and services that generally don't require high expenditures, the searching and evaluation processes are very brief, if not inexistent. The evaluation of alternatives leads to the fourth stage, which refers to the consumer that makes a choice and decides also how, where and when he wants to buy the product. In fact, he has to choose not only which product to buy, but also from whom he wants to buy and when: as there are a lot of different places where you can buy the same product, a customer who wants to buy a new cell phone can either go to the brand store, to an electronics shop or directly by ordering it on the internet. So, there are many factors such as store image, including customer service, store atmosphere and merchandise, store brands, location, price reductions and promotional deals, that can all influence consumer's final decision. If the consumer had a bad past experience with a store and its services, he will probably not choose it to buy the product. Of course, if that same store offers special prices for that product that are more convenient than its competitors, the

consumer may choose it regardless of the past experiences just to save money. The last phase is the result of the purchase, where the consumer uses the product and evaluates whether he made a good or bad choice, whether he is satisfied of the product or, on the contrary, he feels remorse because the product doesn't fulfill completely the need. In this phase the consumer compares his expectations on the product with the perceptions that he's receiving in the reality and derives in this way his level of satisfaction, so the product could result below the initial expectations, up to par or also above them. This depends also on the type of product: the consumer generally goes through this stage especially when the purchase required high expenditures, higher risks or a lot of time and effort. Thus, all these phases of the consumer making decision process are studied in the field of consumer behavior. Consumer behavior can be considered as a subjective field of study. Each consumer is in fact generally influenced by two kinds of factors: socio-cultural factors, that are dependent on the external influences, and psychological factors, which are specific to a certain individual. These two are interconnected to each other and they both contribute to consumer's decisions and behavior.

1.2.1.1 Internal influences

Internal influences are psychological factors that come from the inside of each individual and make each consumer different from the others. They show the way consumers perceive the information received and the products, how they feel and how they interact with the outside world. They include different elements, which are perception, motivation and emotion, learning and memory, attitude, self-concept and lifestyle.

Perception represents how the consumers interpret the world around them, the way they view products and services. It is a process in which the consumers are subjected to external stimuli and interpret them. It is composed by three main steps: exposure, attention and interpretation. Exposure refers to when the consumer notices a particular stimulus. There are many different types of stimulus, which focus on the human senses: as the most important channels are through internet and television, most of the stimulus are generally based on vision, by using for example particular colors that evoke certain feelings, or on sound. But there are also stimuli based on smell, touch and taste, which are becoming quite common. In the supermarkets, it is normal to encounter special stands with sales representatives who try to let you taste a particular brand of coffee or cheese.

Another example is provided by the British cosmetic retailer Lush. This company is popular for the production of skin products using only natural ingredients: in order to sell their products, they emphasize a lot also on the smell of their products and their effects on the skin. If you go inside a Lush shop in fact, their sales assistants will show you each of their products by first letting you smell them and then they will take your hand and try their products directly on it, so that you can experience immediately their effects. With nowadays technology however, people are overwhelmed by stimuli, so consumers tend to do an instinctual selection of them: not all the stimuli are able to reach consumers' attention range and even those that are able to reach it, are not always noticed. Even fewer are able to go through the next stage of the perception process, which is "attention", that occurs when the consumer selects a stimulus and focuses on it for analysis. Marketers are always trying to create more original advertisements that could attract consumers' attention, because people are bombarded by so many ads that they don't notice them anymore. To prove it just think about how many advertisements do you really notice when you are watching the television or when you are surfing through the internet or you are listening to the radio. In the final step of the perceptual process, the consumer will interpret the stimulus by giving it a meaning, which is based on a combination of external and internal factors, such as stimulus' characteristics, consumer's needs, expectations and pre-existing notions and thoughts.

Another element of the internal influences of consumer behavior is represented by motivation and emotion. Motivation is the reason why consumers acts the way they do: it is the driver for consumer buying process. It is in fact the representation of the need created by the gap between a desired state and the consumer's actual state, that drives the consumer into spending time and effort in order to reach his goal, that is the fulfillment of the need. Human beings are driven by many different types of needs and many scholars tried to classify them. The psychologist Abraham Maslow affirms that the human body has to first satisfy the most basic needs in order to move to more complex ones. He creates the hierarchy of needs, which is represented by a pyramid of five levels (figure 5). Only when the needs at the lower level are satisfied, the consumer can move to the fulfillment of the needs of the upper level. This happens because, according to Maslow, the needs at the lower levels are more urgent and basic: if those needs are not satisfied, consumers won't feel the arousal of an upper level need. At the base of the pyramid are physiological needs, which are essential for survival like food, water and sleep. Once these needs are

fulfilled, people will have the need to feel safe and so safety needs like physical safety, stability and security arouse. At the third level of the pyramid there is belongingness, that is the need for people of being loved, of having friends and being accepted by others. Afterwards there are esteem or ego needs, that represent human beings' desires for prestige, status and superiority and they can be fulfilled for example by buying luxury cars or clothes that can obtain other people's recognition and appreciation and can increase self-respect. At the last level of the pyramid, finally, are self-actualization needs, that show the desire to obtain self-fulfillment and to have enriching experiences. Maslow's hierarchy of needs, however, doesn't imply that once one level is fulfilled, those needs won't arouse anymore: in fact, it is normal for anyone to go back to any of these levels. Just the need for food or water, for example, may come many times a day. (Poston, 2009)

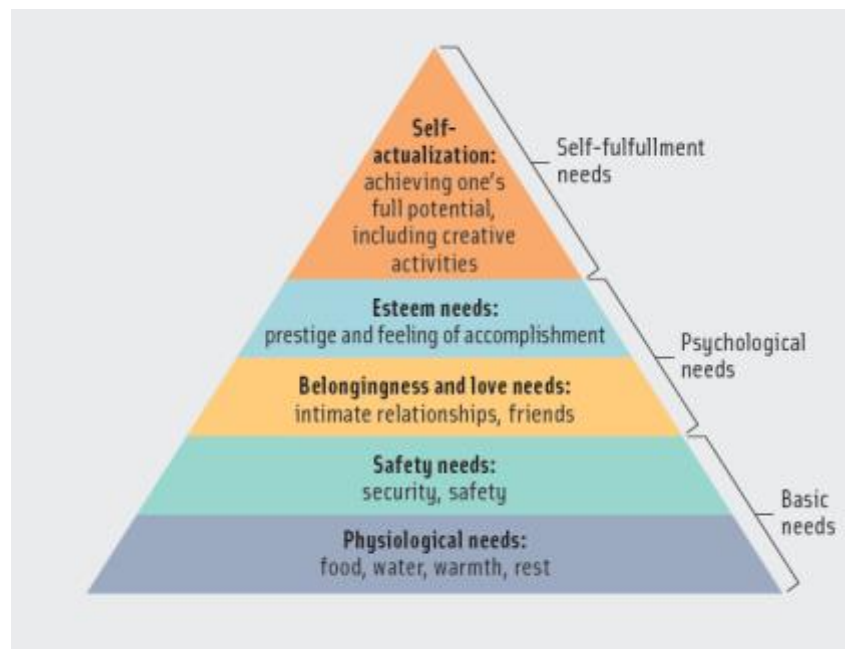


Figure 5: Maslow's hierarchy of needs⁶

Motivation is driven too by emotions and influenced by consumer's own personality. Emotions are strong feelings that influence every decision the consumer makes, because it has a great impact on perceptions, thoughts and memories. In fact, if a stimulus is able to trigger a very strong emotion, it may arouse a need that wasn't present before and lead the consumer into buying the product without too much thought. If you pass an ice-cream shop, which generally puts all the different flavors right on the front, you could be tempted

⁶ Source: Poston, B. (2009). Maslow's hierarchy of needs. *surgical technologist*, 348

into buying one even though you were not hungry or you weren't thinking about ice-cream a few minutes before.

Apart from perception and motivation there are also other elements of internal influence and one of them is learning and memory. Learning is defined as "any change in the content or organization of long-term memory or behavior" (Mothersbaugh et al., 2007). Consumer behavior is considered as a learned behavior, where attitudes, tastes and preferences are mostly acquired through information processing and learning. In fact, many choices are influenced by what the consumer has learned through external stimuli: a teenager is often searching for fashionable items, even though they are not exactly what she would have chosen in other times and circumstances, because that is what will make her be accepted by her peers. Memory, which consists of short-term and long-term memory, is the accumulation of these learning experiences. According to the behavioral learning theories, there are two major approaches to learning. The first approach is classical conditioning, that is a series of procedures that marketers use in order to let the consumers associate a positive feeling towards a certain unknown or new product. This process consists in pairing repeatedly the stimulus of interest with an already known stimulus, to which consumers have a positive feeling. Overtime consumer will automatically associate the good feeling also towards the unknown stimulus. For example, many brands tend to use celebrities in order to promote their products so that with time customers will associate the good qualities and feelings related to the celebrity to the product as well. The second approach is the operant or instrumental conditioning, which happens when "the consumers shape their behavior to respond to rewards and punishments" (Arnould et al, 2004). This type of conditioning is characterized by the fact that the behavior is shaped by rewarding certain behaviors, with little prizes, free samples or price reductions, so that consumers will learn to perform those behaviors that have positive outcomes instead of those with negative outcomes.

Also attitude represents an internal factor that influences consumer behavior. Attitude is a learned and enduring predisposition to behave consistently in a favorable or unfavorable way towards a certain product or service. It represents what a consumer feels and believes regarding a product. It is characterized by three main components: an affective component, referring to emotions and feelings toward the product; a cognitive component, indicating the beliefs about the product; and a behavioral component, that is consumer's intentions to do something regarding the product. All three components

contribute in the creation of a certain attitude, even though their rate of contribution varies depending on the level of motivation that the consumer has towards a certain product.

The last element that is analyzed is self-concept and lifestyle. Self-concept represents consumer's attitude towards himself, that is the perceptions, thoughts and feelings that he has regarding himself. It can be divided into four main parts: the actual self, that is how an individual actually is; the ideal self, that is the consumer's perception of who he would like to be; the private self, referring to parts of the individual that he doesn't reveal to others and keeps for himself; and the social self, that is how the individual wants to be perceived by the others. Self-concept is a very important element for consumer behavior analysis because it is reflected by lifestyle, which is the way a person lives. Lifestyle is influenced by many factors including past experiences, and current situation, such as income, social status and culture. It is reflected in all our activities, our interests, attitudes and expectations and that's why it highly influences consumer's decisions regarding consumption and purchase.

1.2.1.2 External influences

External influences are those factors that come from outside the consumer, meaning that they are derived from the environment in which the consumer lives and the relationships that the individual has with other people. They include culture, social stratification, subcultures, groups, families and households. As culture is one of the main objects of this dissertation, it will be explained more in detail in the next paragraph. In this paragraph we are going to explain the other elements of external influence, beginning with economic situation and social class. Many variables of demographics like age, occupation, education and income, have a great impact on consumer behavior. Individuals' consumption depends on both the consumer's ability to buy and his willingness to do it. One's ability to buy products and services is characterized by his wealth, that is his current and past income, and in particular his discretionary income, which is the money that the individual has left after the necessities have been covered. If you don't have a lot of money, you will tend to spend less in nonessential products and services. This is however not the only determinant. Nowadays it could be said that the two most popular phone models are the Apple Iphone and the Samsung Galaxy: both these phones are quite expensive and not

everyone can afford them. If a person has a relatively low income, the most logical choice for him or her would be to get a less expensive phone. Yet many people try to have one of these two models and in some cases they buy a new phone even though the old one is still working just because it's the latest model. This happens because income allows the consumer to make purchases, but it doesn't completely explain consumer's buying decisions. Also, age has an effect in consumer behavior: people of different ages consume different types of products and in a distinct way. In fact, a teenager has different kind of needs than an elder: that's why marketers tend to distinguish consumers between ages and create marketing strategies targeting specific groups. Another important factor is social class, or more specifically social status. Social class can be defined as the "overall rank of people in a society" (Solomon, 2006), that is the position a person has in relation to others in certain dimensions. Social status refers more specifically to the position or rank in a society that an individual has received by others, so it's "a form of power that consists of respect, consideration and envy from others" (Eastman et al, 1999). Everyone seeks to reach a higher social status in order to gain more recognition and importance by the other members of the group or society in which they live. One way is through status consumption, which is defined as the motivational process by which a consumer aims to a higher social status by buying products that are recognized as status symbols. Madinga et al. (2016), for example, analyze status consumption in South Africa and determine that there are seven main categories of products or activities which are considered as status symbols that can help the consumer into gaining a higher social status, including mobile phones, pets, luxury cars, wellness, golf club membership, luxury jewelry, vacations and clothing. Owning a luxury car or a luxury bag can be viewed as a classic way to show not only one's income, but also his own social status, because the consumer obtains more recognition and popularity by the others. These status symbols are common also in other countries. Drew Gannon, in his article in *The Fiscal Times* (2011), shows how the luxury sales in America is increasing more and more: in 2011 the luxury brand Louis Vuitton, whose bag has become a symbol of richness and fashion that every woman dreams and seeks to have, has increased its sales by 23% in comparison to the previous year despite the effects of the financial crisis. Moreover, he identifies nine status symbols like a Rolex, a BMW or travelling, that an individual must have or do in order to make the others think that he is rich and most of them are the same ones as Madinga's. Besides many status symbols were also present in the past. Wellbeing and appearance were considered as a

way to show the richness of a family: if a person had clear skin, for instance, it generally meant beauty, wealth and refinement, whereas an individual with tanned skin was considered poor because he was probably working in the fields. Nowadays this belief changed in most western countries, so that wellbeing and wealth is represented more by a tanned skin, implying leisure activities as sunbathing or travelling, whereas in eastern countries a pale skin is still a symbol of beauty and wealth. This difference is also expressed in the types of products that marketers try to sell. In fact, in Western countries it is common for high level people to go to the spa for a session with the sunlamp or the tanning beds or to see advertisements for tan prolonger and maximizer products (see figure 6a). In 2008, for example, the Unilever brand Dove launched a new product called “Dove Summer Glow”, which was characterized by self-tanning agents that allowed customers to have a smooth and even tan. For its advertisement campaign (see figure 6b), Dove maintained a simple style with black as the main color and hired common women for the spot in order to be nearer to the customer and to focus on its message, which was “good for your skin, great for your look”, emphasizing the good properties of the lotion for the physical and psychological health.



Figure 6: a) Sun maximizer ⁷ and b) Dove Summer Glow in UK ⁸

Contrariwise, in eastern countries it is more common to find tan remover products or even whitening skin lotions, creams or powders (see figure 7a). Many advertisements, in order to attract Asian customers, generally include as key words “whitening”, “lightening” or “illuminating” and they usually have a white background. Also, Dove adopted a

⁷ Source: <http://www.veryverve.com/beauty-en/lancaster-tan-maximizer-review-deepener/>

⁸ Source: <http://www.adforum.com/creative-work/ad/player/6700043/dove-summer-glow-3/dove>
For the advertisement see: <https://www.youtube.com/watch?v=LfRFEE-4Phk>

different strategy for the Eastern market: for promoting its “Deeply nourishing body wash” (see figure 7b), Dove hired common women like the other advertisement, but in this case it used white as the main theme color and made a comparison between the product’s nourishing properties and those given by the milk, which is, not surprisingly, white as well.



Figure 7: a) Korean cream ad⁹ b) Dove nourishing body wash in China¹⁰

Another factor influencing consumer behavior is the group in which you belong. A group represents “two or more individuals who share a set of norms, values, or beliefs” where the members develop an interdependent relationship and start identifying themselves with its values and attitudes (Mothersbaugh et al, 2007). An individual can belong to many different groups at the same time because of parentage, friendship, a shared interest or other causes. Each group has some influence over the decisions that the consumer makes, even though the degree of influence varies. It is possible to distinguish between primary and secondary groups. Primary groups are more intimate: they are characterized by strong ties between the members and frequent face-to-face interactions, as it happens with families and peers. Secondary groups, such as sport clubs, communities or associations, are more impersonal because the interactions are less frequent, so that there are weaker ties between the members. From the marketing point of view, however, the most important type of group can be considered the reference group, which is an “actual or imaginary individual or group conceived of having significant relevance upon an individual’s evaluations, aspirations, or behavior” (Solomon, 2006), because the individual adopts those values into his own behavior. The influence that the group has on

⁹ Source: <http://lashesinthelush.blogspot.it/2015/11/asian-skincare-your-guide-to-whitening.html>

¹⁰ Source: <https://www.amazon.cn/%E5%8C%96%E5%A6%86/dp/B00EL6ZS2O>

the behavior of a consumer can take three main forms, which are called informational, utilitarian or normative and identification or value-expressive influence. Informational influence happens when the consumer uses the group as a source of information for his or her needs: in fact, the consumer often makes decisions based on the opinions and attitudes of the reference group. When an individual has to make a decision regarding a certain product, he will probably ask advice to the other members of his or her group, either because they have similar tastes or attributes or because they have more expertise and possess more knowledge. In some cases, only because some members, who are considered more influential and important, have certain behaviors, like using a specific brand, the same behaviors are adopted by the other members to get the same level of acceptance and recognition. Identification or value-expressive influence refers to the case in which the consumer's values and beliefs correspond to those of the group or he has internalized the group's values as his own. In this case the consumer will naturally make decisions that are in line with the group's expectations. That is why some marketers promote their products by using common people, like in the previous Dove example: by showing that ordinary people use those products, the consumer may identify himself with them and thus he will be more inclined into buying the product. Utilitarian or normative influence occurs when the individual behaves based on the values and expectations of the group to get a reward like approval from the peers or to avoid punishment. In fact, it is common for individuals to try to conform with the behaviors of the group: for example, peer pressure is one the main reasons for which teenagers start smoking at a very young age. As they want to be accepted by their friends, they decide to behave in the same way despite the negative health consequences that schools or parents always try to teach them. In some ways teenagers often fear that if they don't act in the same way and conform, they will be teased or shunned by their friends and this will feel like a punishment. Conformity is indeed a strong influential factor that has been studied for a long time. In 1951 sociologist Solomon Asch (1956) conducts an experiment in order to understand how much group pressure could lead individuals to conform. In this experiment the participants are told that they are engaging in a visual perception test. They would see multiple cards with a standard line on the left and three comparison lines with different lengths on the right and they would have to say which of the comparison lines matches the length of the standard line. According to the experiment, the participant is put in a room with other people who are pretending to be participants as well. Participants are

asked to “publicly announce their judgments” and even though only one comparison line matches the standard line while the other two differ considerably, the fake participants are told to answer wrongly in order to put pressure on the real subject, who is allocated in a way that makes him listening to most of the others’ answers before. The first few trials are neutral because the majority responds correctly. Then the majority starts giving the wrong answer unanimously, leading the real subject in a state of doubt or surprise. From these critical trials, Asch is able to determine that almost 37% of the participants conform with the incorrect answer and in general one third of all responses are incorrect, often matching the wrong responses of the majority. Moreover, he discovers that if the opposition doesn’t answer unanimously, like the case where at least one of them answers correctly, the group influence would diminish and the real subject would be more prone to the correct answer. Thus, thanks to this experiment, Asch is able to determine the power of group influence and the relation between independence and unanimity of the opposition. He specifically discovers, by questioning the real subjects after the experiment, that there are two main reasons for which they conform. One reason is because of informational conformity, that is the subjects really believe that the group is correct, doubting his own judgment and adopting that of the group. The other case is with normative conformity, referring to the fact that the real subject knows exactly which is the correct answer, but conforms with the group nevertheless in order to avoid disagreement.¹¹ Therefore group pressure has a great impact on the level of conformity of the individuals. Douglas Bernheim (1994), for example, tries to develop a theory of conformity where he compares status with the intrinsic utility derived from consumption and finds that people are willing to suppress their individuality and decide to conform with the behavior and preferences of the group when they are aware that even the smallest deviation could have negative effects on their social status. Therefore it is possible to say that group influence can affect all individuals’ behaviors and choices and this is also reflected in every aspect of consumer behavior, like shopping habits. The presence of a shopping pal or companion can change how a consumer makes his purchases. For example, Mangleburg et al. (2004) propose a study on how shopping with friends can lead teenagers to spend more, because they are more susceptible to the information influence given by their friends and at the same time they feel more confident

¹¹ For a demonstration of the experiment, see the video in the following link:
<https://www.youtube.com/watch?v=TYIh4MkcfJA&t=185s>

about their choices. Chebat et al (2013), moreover, demonstrate in their research how shopping with company, called shopping pals, can make the consumer more attached towards a certain shopping environment, like a mall. They also show how this kind of attachment is created depending on the shopping pal, meaning that shopping with someone from the family doesn't have the effects as doing it with friends.

Family and household is one particular type of group and it represents another important element of external influence of the consumer behavior. According to the classification of groups made before, family is considered as a primary group, because it is characterized by strong and intimate relationships, where members often depend on each other. The modern term of "family", however, is different from its concept in the past. In fact, nowadays for "family" we generally intend only a couple or a single parent with or without their children. In the past, instead, the concept of family included also the distant relatives. An actual broader definition of family can be "household", which comprises all the people living in the same house, leading to the differentiation between family households, where the members are related by blood or marriage, and nonfamily households, including also non-related people. Anyway, the structure of the household deeply affects the purchasing patterns of its members. In marketing, we study the Family life cycle (FLC) or the Household life cycle (HLC) in order to predict in some ways the consumption patterns of the household members, because the demands generally change overtime. The household structure, and therefore the individual purchasing decisions, depend on three main factors, which are the number of people living in the same home, the ages of the occupants, the number of occupants who are employed and their income. In fact, a couple without children has a different lifestyle than a couple with children and makes different choices: those without children have less responsibilities and can focus their purchasing choices on themselves, whereas couples who are also parents have to spend a lot of their income for the satisfaction of their children's needs. Also the age of the members affects decisions: the consumption patterns of a young couple is certainly different from that of an old one and also having small or grown up children has consequences even on the small decisions like buying groceries, because bigger children eat different types of food and in higher quantities.

1.2.2 Culture and consumer behavior

One of the most influential factors in the study of consumer behavior is culture. As already introduced at the beginning of the chapter, culture shapes the values, beliefs and thoughts of the people who belong in a certain group. This can in turn influence the way people view the products and make buying decisions. It contributes in determining tastes and preferences, which consequently change the way marketers approach different markets. In fact culture can affect the arousal of consumer needs, regulate the way individuals meet their needs and affect their satisfaction. One example can be represented by the food industry. Each country and culture has different tastes: some prefer spicy flavors, whereas other countries can traditionally have more sweet or salty dishes. Mexican or Indian food are characterized by a lot of different spices typical of their countries, resulting in dishes with a lot of strong flavors, while Korean food is generally spicy. Different tastes and preferences induce marketers into adopting different strategies to succeed internationally. The American fast food restaurant chain McDonald's, apart from the classic menus, generally develops also special menus around the world to better approach consumers' tastes. (See figure 8)



Figure 8: McDonald's specialties around the world¹²

In Malaysia they serve the “Bubur Ayam”, which is chicken strips in Malaysian style porridge; in Japan they offer the “Teriyaki Mac Burger”, a pork burger with teriyaki sauce; in China there are the “Rice Mcwraps”, which are tortillas with beef or chicken burgers,

¹² Source: <http://www.foodnetwork.co.uk/article/crazy-meals-mcdonalds-menus-around-world.html>

mushroom and sesame-flavored rice included together; in Thailand, the world's largest pineapple producer, they have the pineapple pie instead of the traditional apple pie and in France McDonalds provides the "Charolais" burger, which is melted with Emmental and sauce béarnaise. McDonald's strategy is to give the customers more familiar tastes that are linked to their tradition and culture: porridge is a typical dish in Malaysia, like rice is a very common ingredient in China, teriyaki in Japan and cheese in France. In fact every individual is subjected since childhood by certain flavors and dishes, that often have their own history, and they tend to absorb these heritages and habits in their preferences and needs. To be successful, it's important to understand which are the traditions and tastes of a certain culture and develop products that are coherent with those characteristics. That's why when you eat pizza in Spain or America, you will find different tastes from the original ones that you can have in Italy: for Italians it would be difficult to accept the idea of a "pizza pasta", which is a normal pizza with cooked Italian pasta as a topping, as well as it would be confusing for tourists visiting Italy to find the classic Italian pizzas and not the ones that they normally eat in their home countries. Moreover, some countries are more traditional than others, so that marketers sometimes have only a limited range of possibilities for the development of their products. Other countries, instead, are more open to different options. Italian food culture has its roots in the past and traditions of each region and it's based on a simplicity principle, so that it is possible to create good dishes by using only a few ingredients and by maintaining the original properties of the food without adding too many spices. For this reason, Italian people tend to be more narrow minded regarding food products and experiment new flavors less openly than some other countries. Let's use, as an example, the chocolate wafer biscuit bar Kit Kat produced and commercialized by the multinational company Nestlé. In the supermarkets in Italy you can generally find only the classic Kit Kat alongside the white chocolate and the dark chocolate versions. In other countries, however, Nestlé is trying to sell a myriad of different versions, depending on the specific country. In Japan you can find more than 15 different flavors for Kit Kat, which are based on some typical Asian flavors like wasabi, red beans, apple vinegar or purple sweet potato (Figure 9A). This is strictly related to Japanese culture and tradition. A typical traditional Japanese meal is generally composed by a series of dishes, which include rice, seaweed, rice seasoning or topping, miso soup, vegetable pickles, seafood or meat, hot tea and dessert (Figure 9B). Japanese food culture is characterized by a wide variety of dishes served together, which enables people into

having a balanced diet. Moreover, in the last decades Japan has opened his borders to the rest of the world and has begun a process of internationalization, where mostly young people are always trying to experiment new types of products coming from abroad. Therefore, Japanese people have developed the habit of preferring multiple options when they make decisions, so that generally producers always try to create different versions of the same product, but proposing at the same time combinations that are associated to the Japanese culture and history. Contrarily and surprisingly Japanese people could feel uneasiness if they must choose between a very limited range of choices, and in some cases, they would decide not to buy anything at all instead of choosing.



Figure 9: A) Japanese Kit Kat¹³ B) Japanese traditional meal¹⁴

Yet, cultural influences are not seen only in the food industry. Culture can affect all the elements and steps of the consumer making decision process, like shopping environments and habits and how consumers view products. Whereas in Western countries consumers generally buy groceries at the supermarkets for convenience and availability reasons, Indian people still prefer going to their traditional markets better known as “bazaars”, which are generally messy and noisy places where consumers can bargain the prices with the sellers. Moreover, culture values can affect the way consumers view products, especially those coming from abroad. Sometimes values such as national pride, loyalty and patriotism can induce a consumer into choosing a local product instead of a foreign one, even though the latter is better in every feature. Besides, consumers’ perception of

¹³ Source: http://japantravelcafe.com/wp-content/uploads/2014/02/KitKat_flavors.jpg

¹⁴ Source: <https://asp.hotel-story.ne.jp/media/0810000100143.jpg>

foreign products differs from country to country because it is subjected to the country of origin effect. Each country perceives the image of another country differently and combines certain characteristics to that image: with the country of origin effect, consumers inaccurately and instinctively associate those characteristics to the foreign product, creating in some cases unjustified stereotypes. This happens especially when consumers encounter complex products, because, as they have more difficulty in evaluating them, they most likely will use the characteristics from the image of the product's country of origin to create their opinions and make decisions. Chinese products, for instance, are perceived by the other countries as cheap and of low quality. Even though in the last decades some Chinese products such as Lenovo and Huawei have obtained a pretty good reputation, China is still viewed as the biggest manufacturing countries with low labor costs and questionable safety procedures, so when people see "Made in China", they will automatically associate those two characteristics to the product (Zhang, 1996; Sarwai et al, 2013).

Thus, knowing the culture and traditions of a country could make a big difference in the success or failure of a product or service. Many researchers have studied and are still studying the relationship between culture and consumer behavior (Luna et al, 2001). Some tried also to provide empirical data for the demonstration of the importance of culture by analyzing how cultural beliefs affect the categorization of the automobile ownership: for instance, individuals belonging to a culture with a strong relationship with nature will downgrade the value of car models that do not take into consideration the environmental impact of their engines and will tend to not buy them (Walter, 1976). By reconsidering the cultural classification of countries established by Hofstede, we can analyze the effects of cultural factors and values.

1.2.2.1 Consumer behavior in Hofstede's dimensions

As already introduced in the previous paragraphs Hofstede identifies four main cultural dimensions, which are individualism vs collectivism, power distance, masculinity vs femininity and uncertainty avoidance: for each of these dimensions there are effects in consumer behavior.

The distinction between individualism and collectivism is strictly related to the concept of self, to whether the individuals see themselves as part of a community or consider only

themselves and their nuclear family. This has consequences in consumer behavior as well. People from a collectivistic culture see themselves as part of an integrated whole, so they have a greater need to conform to the norms, rules and values of the reference group, because they feel the pressure to achieve the group's goals and to adopt the in-group's opinions and attitudes. They are also more willing to share information with the other members of the group, because, in their goal achievement or need satisfaction, they tend to use the in-group as a source of information. People coming from individualistic cultures, instead, focus on their individual goals and are very independent, so they do not rely on other people's opinions and suggestions and do not conform (Gregory et al, 1997). Moreover, collectivistic cultures put a higher importance to the family, so their behavior is more influenced by its needs and value: in fact when they make purchasing decisions, they generally consider first the satisfaction of the family's needs. It is possible to divide the influence of the reference group into four different types, depending on the type of product that the consumer is considering: for luxury products and publicly consumed goods, the individual is affected more by peer pressure; for necessities and private consumed goods, however, the major influence comes from the family. Family or intergenerational influence can affect various aspects of consumer behavior, including price consciousness and sensitivity, store and brand loyalty, information search and advertisement response. Besides, intergenerational influence can differ across countries because it depends on the type of family and its relevance in the culture. Childers and Rao (1992) use those four types of intergenerational influence to make a comparison regarding brand loyalty between the families in USA, which is an individualistic country, and the collectivistic Thailand. They discover that in a collectivistic culture like Thailand, individuals' choices are more influenced by the members of the extended family rather than the peers, whereas in individualistic cultures as the USA, consumers are influenced more by peers. Another study made by Kacen and Lee (2002) shows that culture affects also the impulsive consumer buying behavior, referring to the unplanned purchases made by consumers where impulsiveness and instinct prevails over a complete information search and evaluation of alternatives. According to the study, collectivistic cultures can control their impulsive tendencies and emotions more than individualistic ones: that is why individualistic people have a stronger impulsive buying behavior and tend to have more unplanned purchases. Moreover, the more an individual has an independent self-

concept, the stronger will be the relationship between his impulsiveness trait and an impulsive buying behavior.

Hofstede's dimension of power distance refers to the concept of human inequality and the level of stress and acceptance derived from it. In 1961 psychologist Stanley Milgram conducted an experiment to study the human level of obedience to the authorities regarding the performance of acts that are against personal conscience. After World War II, many Germans justified their actions by saying that they were just following orders from their superiors, so Milgram decided to verify it. He paired every participant with an associate, who was pretending to be a participant as well. Each pair had to draw lots to assign them the roles of teachers, who would be asking questions and delivering punishments, and learners, who would be answering the questions in a separate room. The naïve subjects, thinking that they were participating in a learning experiment, would always draw the teacher roles: they were put in front of a machine and a microphone and had to deliver electric shocks every time the learner would answer wrongly, by increasing the voltage each time. As the learner would keep giving mainly the wrong answers, the naïve subjects had to give higher and higher voltages. While hearing the other participant yelling in pain at each shock, the participants would start becoming agitated and doubting themselves, but for each time they stopped, the experimenter, who was an authority figure with a lab coat, would prod them to continue. The results were that two thirds of the participants decided to continue by reaching an almost fatal voltage, even though it was an act against their personal conscience. Thus, Milgram demonstrated how human beings have a strong tendency to obey authority roles, also in those cases where obedience implies conflicts with their own beliefs (Milgram, 1963). In countries with high power distance, individuals more easily accept and respect authority roles and seek their opinions to make decisions, more often than in countries with low power distance. In fact, many marketers often use people with a certain authority, including also celebrities and professionals like doctors, to suggest and promote their products to the consumers. A typical example is the promotion of a toothpaste or a toothbrush: it is very common, while watching television advertisements, to see dentists explaining the properties of the product and its good effects on the teeth. Those people could also not be dentists at all, but only actors wearing the lab coat. Nevertheless, they still give the idea of an authority figure, who can influence the decisions of those watching the advertisement.

Another dimension is masculinity versus femininity: a masculine society has a clear distinction between emotional gender roles and it's focused more on tasks, money and achievements, whereas feminine society presents an overlap of the emotional gender roles and it values more the quality of life and relationships. This impacts consumer behavior as well, in particular marital roles in family decision making and shopping habits. In fact, in masculine cultures purchasing decisions are mostly made by husbands, even though the act of buying groceries is considered as a typical activity done by wives. Moreover, consumers often make status purchases, referring to buying goods that are status symbols like expensive watches or jewelry, as a way of showing their achievements. They also prefer foreign goods because they find them more attractive and value what is big and fast. Feminine cultures, on the contrary, are characterized by joint decision making: while in masculine countries the husband decides which car to buy, in feminine ones, he chooses the car together with his wife. Furthermore, consumers spend more in products for the home and family's groceries are largely done by the husbands. This is mainly because feminine cultures are more people oriented: they aim at reaching consensus and coziness and not at becoming winners, so they value what is small and are more modest.

Uncertainty avoidance refers to how people react in front of uncertainty and ambiguity, especially the future. Some cultures fear more than others what is uncertain and ambiguous, so they try to avoid these situations. This affects the way they perceive risks and how much they are willing to accept. Cultures that avoid uncertainty aim at cleanliness and purity, so they prefer buying mineral water instead of drinking tap water because they are unwilling to accept the risks. In fact, when making a purchasing decision, individuals are met by the possibility that the good may not satisfy completely their needs, so cultures with a higher uncertainty avoidance level feel greater anxiety and have a higher probability of not buying the product. This has consequences on their consumer behavior. Cultures with high levels of uncertainty avoidance are more brand loyal, because they already know the products of certain brands, so they prefer remaining loyal to them and buying the same products instead of taking risks by buying another brand's products. Moreover, they are less willing to change and to try new products or services and when they do it, they generally make a deeper information search to reduce the risks derived from the purchase. People from cultures that avoid uncertainty prefer calling experts for jobs like painting the walls of their houses, whereas those willing to take risks

generally do it by themselves. That is why in uncertainty avoiding cultures, marketers, when designing advertisements, choose to hire experts for the promotion of their products, whereas in uncertainty accepting countries, they adopt other strategies such as humor (Hofstede, 2010; De Mooij, 2014).

Two further cultural dimensions that Hofstede recognized recently are long term versus short term orientation and indulgence versus restraint. Long and short term orientation refers to whether people have a short term or a long-term perspective of life or if they are looking more at the future or at the past and present. Thus, people with a long-term orientation generally try to save the most part of their income, instead of consuming it immediately and invest a lot on their children's education, because they represent the future. Gul (2013) demonstrates also that long-term orientation has a good impact on environmentally conscious consumer behavior, meaning that consumers with a long-term thinking are more aware and concerned about the environmental problems and try to buy more eco-friendly products.

Indulgence versus restraint refers to the level of freedom or allowance that people give to their own desires and their level of happiness. As indulgent people give more importance to friends and pleasure, they spend more for fun and entertainment activities and are socially more active. They generally are active in some sports and consume more soft drinks and junk foods, resulting very often in obesity problems (Hofstede, 2010).

1.3 EASTERN VERSUS WESTERN CULTURES

The main objective of this dissertation is to make a comparison of the consumer behavior between Eastern and Western countries. These two cultures are very different from each other in many aspects and it is important to understand which are these differences, especially in marketing management. In the past there has been multiple cases in which an international firm has failed to penetrate a foreign market for lacking of understanding the cultural differences or for adopting a homogeneous strategy all over the world instead of diversifying. An example is the previously explained EBay case, but there are many others. Just recently, the Silicon Valley giant Uber, which provides an online transportation service for all the consumers possessing a smartphone, has decided to merge its China division with Didi Chuxing, the most important ride-sharing company in China. The Uber app is very widespread in the USA and in many other countries because

it is considered handy and fast, but it was not able to reach the same level of success in the Chinese market. There could be many reasons for this failure: one of them is that Uber decided to adopt the same strategy and procedures in China as in the other countries, without considering possible differences and limitations. It initially entered the Chinese market while still supporting Google maps, which is unfortunately not available in China along with all the other Google services. Chinese people in fact use a completely different browser and its relative services and that is called Baidu. Moreover, it established to accept only credit cards as a method of payment, which, however, is against the habits and preferences of local people. Chinese people don't generally use credit card as mode of payments, because they prefer either paying in cash or by using the newest way created by the mobile app WeChat, whose "Wallet" service allows customers to pay and transfer money without always having the physical credit or debit cards. Naturally, there are also cases in which Asian firms encountered cultural blunders. Some Asian firms opening new divisions in Western countries have experienced many problems with their employees because of cultural differences: in fact, foreign managers tend to treat the employees in the same way they do in their home countries, without considering the possibility that some attitudes or habits may not be accepted in the host countries. There have been also cases in which an advertisement created by an Asian firm for the introduction of its product in a Western country was not understood or rejected. In 2013, for example, the Korean automobile manufacturer Hyundai Motor Company, introduced in the UK its newest crossover IX35 with an advertisement depicting a man trying to kill himself by inhalation of its gases, but he failed because the vehicle was not able to produce enough harmful emissions. With this ad, Hyundai wanted to emphasize the properties of the vehicle. In reality, it became a scandal causing the people's outrage and forcing the automaker to withdraw the advertisement and publicly apologize. Therefore, it is fundamental to understand the differences between eastern and western cultures and to do that, it is necessary to first study their origins.

1.3.1 Different origins

Eastern and western cultures have two completely different origins. Western civilization, which includes mainly European and American countries, originated from the ancient Greece and continued its development during the Roman empire. The ancient Greek

society is considered as the birthplace of western culture, because it made important contributions to the actual civilization in the fields of architecture, arts, literature, philosophy, medicine and mathematics. In fact it was during that period that concepts of democracy, individuality and freedom originated. Ancient Greek society was characterized by rhetoric and reason: each citizen had the rights to express their own opinions and to fight for their beliefs. Each polis, that is the ancient Greek city-states, had a large and open public place called “agora”, which functioned as the center of political, commercial and social life, where citizens could assemble together and discuss about different matters. Thus, debate was a very common activity for Greek people. Since they were young, citizens were educated in rhetoric, which is the art of discourse and communication and they developed a strong sense of curiosity and freedom. Greek society highlighted the importance of personal agency, referring to the idea that individuals were free to act as they wanted and were masters of their own lives. That is why Greek people were always aiming at a life free of constraints and were using as a leisure activity the pursuit of knowledge. They preferred logic and reason and looked at understanding the nature of the world. Its philosophy, which highly influenced nowadays western culture and values, was mainly developed on the research of the “truth”, the main essence of the objects and their origins. Among their most relevant philosophers, it is possible to cite Socrates, Plato and Aristotle. Socrates made significant contributions especially in the field of epistemology, that is the branch of philosophy that analyses the theory of knowledge, and ethics, which refers to the moral principles that govern a person’s behavior and distinguish right and wrong conduct, influencing nowadays moral law. He believed that people should not think of only their own interests and try to impose their beliefs on others, even if they have the power to do so. He thought that everyone should maintain a good conduct regardless of the consequences and developed the “Socratic method”, which is a dialectic method where individuals ask each other questions to understand their beliefs and gradually confute and eliminate presumptions that revealed being incorrect or inconsistent. So, in accordance to his beliefs, he always expressed and fought for what he believed to be right and went also against prominent people with power and influence. Socrates’s student Plato continued his ideas regarding the concept of knowledge and thought that moral virtues should be universal. Plato established an ideal state of government, where only those with reason, wisdom could govern, in contrast with what the Greek democracy offered at that time. In fact he highlighted the

importance of the concept of justice, which influenced also the actual political and social life. Plato's student Aristotle was also very influential in today's western culture. Aristotle specialized in different areas of study, including physics, biology, medicine and psychology and based his theories on logic, giving important contributions to the scientific studies. He thought that the objective of epistemology was to find the universal concepts in the particular things, so he studied the single phenomena in order to find the universal theories. Ancient Greek society, in fact, viewed the world as simple and knowable, so they focused their studies on the attributes and abstractions of the single matters. They saw the objects as singular entities, separated from the others in a static world that does not change and that need to be categorized. That is why Greek society made relevant advances in the scientific subjects, such as mathematics, especially with Pythagoras, physics, astronomy, logic and medicine.

Contrary to western culture, eastern culture had a totally different origin. Eastern culture is a combination of a variety of heritages coming from many different countries, each with its own history and traditions. For the purpose of this dissertation, we are going to consider mainly the influence derived from ancient Chinese society. In comparison with the concept of personal agency of the ancient Greeks, ancient Chinese valued collective agency, according to which each individual was a member of a collective, so they were all interdependent. Moreover, the Chinese society was characterized by a centralized political system, where the power was concentrated on one single person, the emperor and nobody could go against his decisions and laws. So, in opposition with the free mentality of ancient Greece, ancient Chinese people lived under many constraints derived not only from the authorities, but also from the peers. The Chinese society was a hierarchical system, where people had to obey and respect those belonging to the upper levels of power, without having the possibility to refuse or even discuss decisions. Thus, people had no opportunity for debate, because they did not even have the opportunity to be curious or to express their own opinions. In fact, those who expressed opinions that were against those decided by the emperor, were severely punished. As an example, writers or philosophers who wrote books expressing different ideas, were generally subjected to a common ancient Chinese punishment called 灭族 (miezu), meaning extermination of an entire family, so that not only all the books were burned, but the entire family was persecuted and killed. That is one of the reason why Chinese culture and consequently far eastern culture did not make relevant advances in the scientific fields

like in the ancient Greek society. Ancient Chinese people aimed at reaching a harmonic and plain country life as a member of a collective and not as an individual. This ideology was mainly influenced by three philosophical and religious movements, that are Taoism, Confucianism and Buddhism. Taoism is mostly represented by two ancient manuscripts, which are the “Tao Te Ching” (Daodejing) and the “Zhuangzi”. These two writings focused on the concept of “tao” (in Chinese 道 Dao), which literally means the way or path and can be referred as the proper way of existence. Taoism focuses on the simplicity of the natural world and says that it is constantly changing and is composed of contradictions. One the symbols representing Taoism is the “Taijitu”, which introduces the nature of being, the concepts of yin and yang, which are positive and negative energy that coexist in a dynamic equilibrium, according to which one state of affairs cannot exist without its opposite. So, happiness and harmony can be found in the simplicity and naturalness of things and people must learn to accept the things the way they are, because everything is connected and interdependent.



Figure 10: Taijitu¹⁵

Confucianism, instead, gives many contributions in the humanistic fields, by spreading ideas and values that aimed at social cohesion and moral integrity. Its creator Confucius thinks that each member of the society has certain obligations towards the others and should value certain virtues that are fundamental, including benevolence, justice, proper rite, knowledge and integrity. He says that people can find their balance if they know exactly and accept their role in the hierarchy of the society. For example, he thinks that if each individual could behave as if he were part of a community without being selfish and greedy and by considering everyone as his own family, it would be possible to reach a perfect and harmonious society. Buddhism religion was born in India and spread all over

¹⁵ Source: <https://en.wikipedia.org/wiki/Taijitu>

Asian countries, introducing new concepts and views. It enriches the Chinese culture by adding to the Confucianism, the concept of heaven and hell, of reincarnation and of karma, so that good and bad actions would receive their proper retribution. It also focuses on the human condition and the inevitability of suffering: human beings should be self-indulgent, accept the suffering that are unavoidable in life and try to act in the best way. These three teachings evolved through time and merged together into the actual Chinese philosophy and culture. (Nisbett et al, 2011; Lee, 2006)

1.3.2 Different ideologies and behaviors

The different origins of western and eastern culture have led to the development of different ways of thinking and behaving. Westerners and easterners have different views of the world. Western societies see the world as composed of separate objects: they tend to categorize and create models for everything, because they think that if they know the properties of the objects and the rules regulating their behavior, they are able to control all the events, without considering the larger context. They do not see a connection between objects and their surroundings, because they think that the cause of an object can be found inside itself and for this reason, they specialize in breaking it down in parts to know the truth. That is why they developed many theories in physics, mathematics and other scientific fields. Eastern people, instead, think that the world is constantly changing and is the result of the interactions between the objects with their surroundings. They live under the principle of universal interactivity, according to which everything in space operates on every other thing. Let's consider for example a balloon floating in the air that is accelerating. If people are asked why the balloon is accelerating, their answer will be influenced by culture. Westerners will find a cause in the object itself, like the fact that the balloon may be losing air, which would cause the balloon to be pushed forward by the pressure. Easterners, however, would try to find a cause in the surroundings, like the possibility of the presence of wind. Morris and Peng (1994) demonstrate also that easterners and westerners interpret facts in different ways. Reporters, in fact, write articles about certain events, but the way they relate the facts are influenced by their culture. In relating a murder case, English-language newspapers are more dispositional, meaning that they consider more, as possible motives, personal dispositions, like the murderer's personality traits, attitudes or psychological problems. Chinese-language

newspapers, instead, evaluate more situational factors as possible causes, such as pressures from the society, peculiar situations or relationship problems. Thus, easterners are more sensitive to contextual information in comparison with Westerners. This can be reflected also in the portraits of ancient societies or in the modern pictures. In Ancient China, the emperors' portraits generally showed them sitting on the throne and its background (See Figure 11a). Ancient Greek and Rome portraits, differently, included less background and were normally reduced to representing only the figure's torso (see figure 11b).



Figure 11: a) Ancient Chinese emperor's¹⁶ b) Ancient Rome woman¹⁷

This difference is still present in nowadays societies. When taking portrait pictures westerners tend to focus on the person's face with very little background, whereas easterners tend to consider the figure as part of the context by placing him in the background. Moreover, when people are asked to draw landscapes, they would do it using different perspectives: westerners would prefer using a lower horizon of perspective, like what they can see at eye level, whereas easterners would use an upper level horizon, such as the bird eye level that enables them to include more background (Masuda et al, 2008). Another difference is that people from western cultures tend to value more their individuality, so they try to reach their own personal goals, instead of thinking and acting for the benefit of the community as a whole. They value confidence as a good attribute and tend to express their emotions more easily. Western people have a very strong sense of independence and think that the rules should be the same for everyone. Eastern people,

¹⁶ Source: <https://it.pinterest.com/pin/255649716326919309/>

¹⁷ Source: <https://it.pinterest.com/pin/122793527318707584/>

instead, value more the collectivity, so they aim at the goal of their community, but at the same time they live under a hierarchical society. So, while in western countries parents tend to give a lot of freedom to their children in order to push them into becoming more independent, eastern families are characterized by inner hierarchies where parents tend to make all the decisions for their children. This is caused also by the fact that western societies cherish more youth and its vitality, whereas eastern cultures value elders and their wisdom. Cohen and Gunz (2002) study the perspectives of the self in the memories and emotional perceptions between easterners and westerners and arrive at the conclusion that easterners have a more outside-in perspective of the self, while westerners take an inside-out perspective. They find that, when recalling memories in which the subjects were at the center of the attention like an accident or an embarrassing situation, easterners tend to take more a third person perspective, whereas westerners prefer a first-person perspective. Moreover, also the emotional perceptions change. Westerners tend to have an egocentric bias, meaning that they see and project the emotions they feel in other people. Easterners, on the contrary, are more subject to a relational projection bias, because they tend to see in others the emotions that they think would be more appropriate in the eyes of an impartial spectator.

These differences have consequences on consumer behavior and on marketing strategies. In fact, eastern people are more group oriented, so they generally conform to the group's habits, like using certain products or brands. For Chinese, as an example, interdependence and face are very important factors. As already explained initially, gift-giving is a habit that Chinese people highly value, because it is considered as a way to create affinity in their relationship and at the same time to do favors, for which, based on the reciprocity principle, they can expect some returns. So, the gifts must have certain requisites in order to attract Chinese consumers' attention, like a particular packaging, which would be best in red. Moreover, China is based on inner hierarchies and one of their most important attribute is face or what they call 面子 (mianzi), which refers to one's dignity or prestige in the society. And one way for Chinese to gain or maintain face is to wear or have luxury products. That is why Chinese consumers represent an important proportion of luxury product sales. Eastern people are also more pragmatic and they generally prefer to evaluate more the situation before making a purchasing decisions. Furthermore, family is important in their making decision process and they relate more on word-of-mouth communication to gain more information. Thus, marketers should consider all these

differences when they think strategies aiming at penetrating an Eastern country. One important marketing factor is represented by advertising strategies, which will be explained in the next chapter.

CHAPTER 2

CULTURE AND ADVERTISING

One of the first concepts studied in a marketing course is the marketing mix or four Ps, which refers to the tactical or operational part of a marketing plan. It is specifically defined as “the set of tactical marketing tools – product, price, place, promotion – that the firm blends to produce the response it wants in the target market” (Kotler et al, 2010). In fact, the marketing mix helps the firm into reaching its marketing objective, that is creating value for consumers and building customer relationships. The marketing mix is composed of four parts, which are product, price, place and promotion: each of these components contribute into reaching the objective and by slightly changing one of them, the combination changes and marketers can alter the final result. In this dissertation we are going to focus on the fourth element of the marketing mix, that is promotion. The promotion mix, also called marketing communication mix, refers to all the activities and tools that marketers use to inform customers about their products and to persuade them into buying. It includes a variety of different activities, like sales promotion, online communication, personal selling, public relations and direct marketing. And one of the most important tool of the promotion mix is perhaps advertising. The first part of this chapter will be focused on the concept of advertising, the factors inducing marketers towards a global or local strategy and the main steps involved in an advertisement program. The second paragraph will be centered around a specific type called visual advertising and what it comprehends. The final part of the chapter, instead, analyses the concept of familiarity and its relationship with memory.

2.1 ADVERTISING

Advertising is defined as “any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor” (Kotler et al, 2010). It is one of the main tools that marketers use to communicate with customers, to change their buying behavior or to persuade them into taking certain actions. In fact, it is able to reach big audiences without too much effort, transmitting to the customers the product’s information. It can also be used to inspire certain social behaviors or to create a long-term image and

reputation in the consumers' minds. Each year marketers invest huge amounts in advertisements, because they can be considered as the fastest way to convey a message to as many people as possible. Sports events like the FIFA World Cup or the Olympic Games are considered as the best opportunities for reaching big masses. In USA, for example, the biggest sport event is represented by the Super Bowl, that is the annual championship game of the American National Football League. Football can be seen as a representative element of the American culture. As already introduced in the previous chapter, Gannon (1994) uses football as a metaphor for the American society, because it highlights three main aspects of American culture: individualism and competitive specialization, huddling and ceremonial celebration of perfection. In fact, American society is a typical individualistic culture that emphasizes competition and personal success. Moreover, football represents American history and character: it shows male bravado, physical strength, competitive struggle and violence. It is a game that is shared by most Americans, as it is a reason for family or friend reunions. So, naturally, the Super Bowl generally attracts huge audiences each year. That is why a television advertisement during this event is particularly costly, but at the same time it could lead to high profits. As an example, a 30-second spot during the Super Bowl of 2016 required an average of 5 million dollars of expenditure. Nevertheless, many marketers decided to pay for a Super Bowl ad and invested even more money on creating those commercials, trying to obtain the highest pay offs.

It is possible to say that advertising is a sort of investment: it can help the company into promoting their products, but at the same time it could lead to big failures and ruin reputations. One example is the commercial aired during the Super Bowl of 2011 of the e-commerce marketplace site Groupon¹⁸. The campaign included one spot, which featured actor Timothy Hutton starting by talking about how the people and culture of Tibet were in jeopardy. After saying that, he immediately started promoting the deals, with which Groupon offered Tibetan fish curry at only \$ 15 instead of \$ 30. The commercial received a severe backlash: it was interpreted as a trivialization of an important cause and many expressed their negative thoughts in their social media, forcing the company to remove the advertisement a few days later. So, despite Groupon spent almost 3 million dollars for

¹⁸ To see Groupon's Super Bowl commercial: <https://www.youtube.com/watch?v=vVkfT2yjk0A>

the Super Bowl ad, it was a total failure and, even nowadays, it is still remembered as one of the most controversial Super Bowl ads.

Another example is the British airline company Easy Jet's attempt to ridicule British Airways' marketing campaign. In 2011 British Airways launched a new commercial showing the history and evolution of the company and communicating their message "To fly. To serve"¹⁹. This advertisement received positive feedbacks from viewers (Figure 12a). Easy Jet, however, decided to mock British Airways' campaign by posting on the social media an image with their slogan "To fly. To save", emphasizing how the company was created with the idea of saving money and is still evolving based on that belief (Figure 12b). Moreover, in the image, it showed a paint bucket, which was a clear reference to British Airways, who has its logo and motto painted on each airplane: in fact, the message expressed how, according to Easy Jet, painting a certain slogan on the airplane is considered as a waste of money.



Figure 12: a) British Airways campaign²⁰ b) Easy Jet advertisement²¹

This sort of provocation, however, was received negatively by the viewers. In fact, they criticized it and, contrarily, decided to defend and support British Airways' campaign. Thus, marketers need to be careful about their promotional strategy: they need to

¹⁹ To see advertisement: https://www.youtube.com/watch?v=sgQhd7M_0Gw

²⁰ Source: <http://imgur.com/gallery/xCBpclV>

²¹ Source: <http://www.coroflot.com/williamtapp1979/Award-winning-easyJet-tactical-print-TO-FLY-TO-SAVE>

consider a lot of factors when implementing an advertisement strategy and have to make a lot of decisions to find the best promotion mix for the target market. One very important decision refers to the question of whether to adopt a global or a local advertising strategy.

2.1.1 Global or local advertising strategy?

When a company enters a foreign market, it must decide which kind of marketing strategy to adopt: a global standardized or a local adapted strategy. This question belongs to a debate that has been going on for many years. People supporting a standardized strategy think that globalization is lowering trade barriers and approaching different cultures. So they argue that there is greater market similarity and that customer needs and preferences are becoming the same. A standardized advertising strategy means promoting the same product around the world by using the same approach, like its style or message, with the only difference in the language translation. This kind of strategy has many advantages. First, it allows the company to save media costs and advertising production costs. Moreover, it provides consistency in the image and identity that the company conveys around the world and allows consumers who travel frequently to receive the same message in different countries. Finally, a standardized strategy implies a better management control of international operations because the company has to coordinate the same advertisement campaign across countries. A typical global brand could be Coca Cola, which is sold over 200 countries and is one of the most known soft drink in the world. In order to be sold worldwide Coca Cola Company decided to maintain the same structure of its logo, referring to the red background and white letters (see figure 13) and translated only the name itself according to the different languages. For the Chinese market, for example, the name Coca Cola was translated into 可口可乐 (ke kou ke le), which literally means “to permit mouth to rejoice”, indicating the pleasure that the customer would feel by drinking it. To find this logo, Coca Cola had to look to all the Chinese characters that had the same pronunciation as the original name, but at the same time they had to be very careful about the meaning. In fact, while the company was still choosing the right Chinese name when it entered the market in 1927, some local Chinese shopkeepers decided to assign Coca Cola a name created by themselves by looking only at the pronunciation and not at the whole meaning. And one of these self-created translations was “ko ka ko la”, which literally meant “female horse fastened with wax” or

“bite the wax tadpole”. Thus, Coca Cola decided to use “le” as the last letter instead of “la” because they could not find a suitable character with the same pronunciation, but with an appropriate meaning.



Figure 13: Coca Cola around the world²²

A globalized advertisement, however, has also its negative factors. In fact, by only translating the message in different languages, many companies experienced some misunderstanding that lead customers to think negatively about the brand. The American soft drink producer Pepsi translated in Chinese its slogan “Come alive with Pepsi generation” with “Pepsi bring your ancestors back from the dead”, while the popular beverage brand Schweppes’ original message of “Schweppes tonic water” became “Schweppes toilet water” in Italian. Also the American Fast food restaurant chain KFC’s attempt at translating its motto in Chinese failed miserably: in fact, the original message “finger-lickin’ good” became “we’ll eat your fingers off”.

Contrarily to the standardized solution, people supporting an adapted advertising strategy argue that there are some differences between countries that go over the globalization phenomenon and those include consumer needs and preferences, culture and traditions, purchasing power, laws and regulations. In fact, a local adapted strategy implies creating a customized advertising campaign that matches the characteristics of a particular market. This enables the company to reach more efficiently the needs of the

²² Source: <http://blog.vuru.co/cool-like-coke/> and <http://www.coca-colacompany.com/stories/colas-international-logos>

customers of a specific country, and consequently to obtain a higher long-term profitability (Theodosiou et al, 2003). As an example, Apple decided to diversify the advertising strategy for its product Mac between the USA and Japan. In USA Apple launched its advertising campaign “Get a Mac”, by featuring two actors, who highlighted the differences between a Mac and a PC. In the spots there was a cool looking guy representing the Mac, who was bickering with a nerdy looking guy representing a PC and he was always able to win because the Mac had more features than a PC²³. This advertising campaign received positive feedbacks and was overall successful in the United States. For the Japanese market, however, Apple decided to analyze the local culture and thought that the same advertisement would not be received well because Japanese people see the act of criticizing directly the features of competitors negatively. Thus, Apple launched a modified and customized version of the original ad. In the Japanese version they hired a Japanese comedy duo, the Rahmens, who were portraying too the Mac and the PC, but the way they were explaining the different features between the two products, including body language and tone of voice, was a lot more friendly and respectful towards each other²⁴. This distinction between standardized and localized advertising strategy is not so clear in the real world. In fact, many companies generally decide to adopt a strategy that is between the two options, so that they standardize certain aspect, while they adapt the other aspect to the specific market conditions. The degree of standardization or adaptation of the international advertising strategies depends on several factors. Papavassiliou and Stathakopoulos (1997) provide a framework with all the relevant factors influencing what they call the “international advertising strategy continuum”. They identify three sets of variables, which they define local, firm and intrinsic (see figure 14). Local variables refer to all the conditions of the host country, including cultural environment, economic conditions, legal conditions, competition, advertising infrastructure, consumer profile and country of origin image. Cultural environments indicate all the beliefs, values and attitudes that are specific to the culture where the consumer belongs. As we have seen in the previous chapter and we will see in the next paragraph, culture has a great impact on the way consumers perceive the advertising campaigns. Economic conditions include determinants of the host country such as per

²³ To see advertisement campaign: <https://www.youtube.com/watch?v=0eEG5LVXdKo>

²⁴ To see the Japanese version of “Get a Mac” campaign: <https://www.youtube.com/watch?v=l-3MtYn9W5w>

capita income, economic growth, attitudes towards wealth, presence of import quotas and duties and attitude towards international trademarks. Moreover, poorer countries are generally characterized by minor competition and less sophisticated consumers, so international firms can opt for a more standardized approach. Legal conditions refer to all the laws that regulate the advertising practices in a certain country. In fact, each country has its own regulations decided by the government and companies must follow them. In China, for example, the government recently updated its regulations regarding advertisements and added a few changes to protect its citizens, such as the ban on the use of China's flag in ads, the prohibition of featuring child celebrities under the age of 10, the restriction in claiming that a baby formula or drink can replace a mother's milk and the impossibility of tobacco ads to appear in mass media or public places to protect underage consumers.

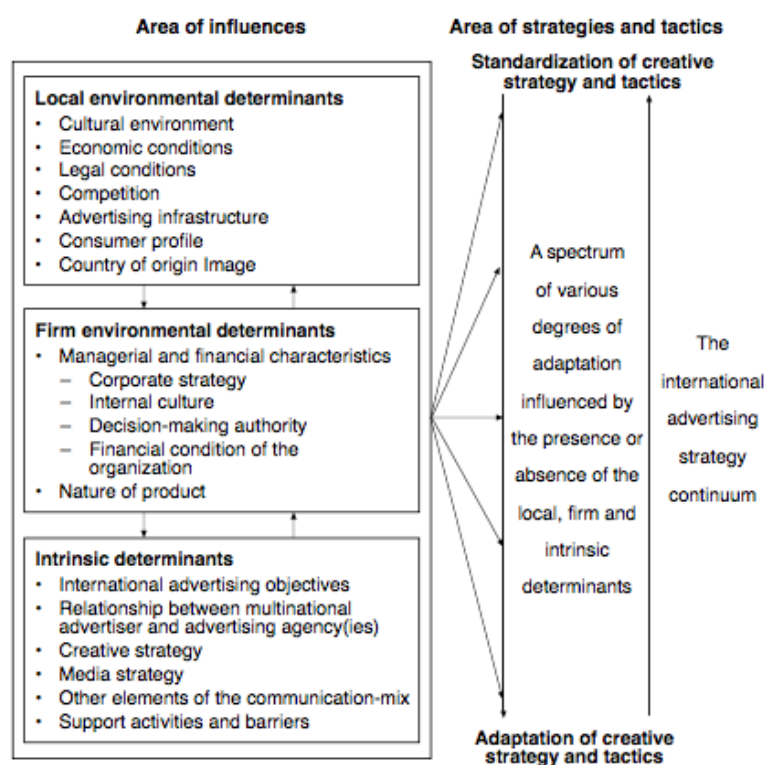


Figure 14: Papavassiliou and Stathakopoulos' framework²⁵

²⁵ Source: Papavassiliou, N., & Stathakopoulos, V. (1997). Standardization versus adaptation of international advertising strategies: towards a framework. *European Journal of Marketing*, 31(7), 504-527

Another local determinant is competition: the industry structure, the influence of suppliers, the market position, the presence of other international competitors and the consumer's bargaining power may all influence the degree of adaptation of the advertising strategy. Advertising infrastructure, instead, refers to the level of availability and development of the local media and technical equipment, so that in some countries the company must use a certain media instead of another to reach the public. Consumer profiles indicates consumers' characteristics, including their perceptions, attitudes, behaviors and their demographic information. Lastly, country of origin image has an impact on the standardization decision as well: the characteristics of the products themselves and their country of origin are important determinants that affect the way consumers may receive the advertisements. In fact, if a product's country of origin is known as a producer of good quality, it will be easier, for international marketers, to try a more standardized approach.

The second set of variables identified by Papavassiliou and Stathakopoulos are firm determinants, which indicate the company's situation and include its managerial and financial characteristics and the nature of the product. A company's financial situation deeply affects its decisions, because in cases with low finances, international managers will prefer standardizing to save costs. Moreover, if managers have the knowledge of the host country's culture, they will tend to localize more. And the level of centralization of power too can affect the degree of adaptation: the more influence and decisional power have the local subsidiaries, there more likely will be a localized advertisement campaign. The other firm determinant is the nature of the product, like product type, its life cycle and its level of involvement. Different types of product require various advertising strategies: industrial products, as well as luxury and hi-tech may need a lower level of adaptation than food goods or personal care products. Also for non-durable goods or for low-involvement products, international marketers may prefer adopting a localized strategy, whereas for products that have attributes which generate different appeals depending on the culture, it would be better to choose adaptation.

Finally, the third set of determinants are intrinsic variables, which refer to the elements that can influence the development of the creative and media strategy. They include: whether the international company has a collaborative relationship with advertising agencies; the objectives of international advertising, such as persuasiveness or memorability; its creative strategy, that is the principle affecting the nature and character

of the advertising messages; its media strategy, referring to the type of media adopted in each country; and whether there are other elements of the communications mix and support activities that help international marketers into reaching their advertising objectives.

Thus, all these determinants can influence the degree of standardization or adaptation that firms can decide to apply for their international advertising strategy. In the next paragraph we are going to explore more in detail how culture can affect this decision.

2.1.2 Advertisement perception between cultures

When Procter and Gamble launched its Camay Soap in Japan, it decided to use the same theme of the advertisement campaign adopted in Europe. The ad featured a woman taking a bath and the husband entering the bathroom and starting touching her skin to feel the softness²⁶. Although this advertisement was quite successful in Europe, in Japan it received negative feedbacks. According to the Japanese culture indeed, entering the bathroom while the wife is taking a bath is a sign of bad manners and violation of one's privacy, so it is an act not seen well. That is why Procter and Gamble had to change its advertisement into something more fitting for the Japanese culture²⁷.

Also Pepsodent failed the advertisement campaign for its toothpaste in Southeast Asia. In fact, the American brand tried to promote its product with the slogan "You'll wonder where the yellow went when you brush your teeth with Pepsodent?", indicating the whitening properties of its toothpaste. Unfortunately, the advertisement wasn't well received because local natives thought that black teeth were attractive, so they had the habit of chewing betel nuts to blacken their teeth.

These are some of the many cases in which an international firm failed its advertisement campaign in a country because it didn't consider possible cultural differences. As already introduced, culture plays an important role in the customer's perception and recognition, so that one advertisement campaign can be very successful in one country and, at the same time, it can fail completely in another. As already studied in the first chapter, the values, habits and norms that are learned since childhood influence the way consumers

²⁶ To see Camay Soap's advertisement: <https://www.youtube.com/watch?v=zWuhiONcIPQ>

²⁷ To see Japanese version of Camay Soap's advertisement campaign: <https://www.youtube.com/watch?v=mMdrqXtWu7s>

behave and perceive, so they may be more receptive towards an advertisement that is congruent with those values because they can identify with them. This also limits sometimes the themes and ideas that international marketers can think of for their advertisement strategies: in fact, they have to be careful about every aspect, including emotional content, comparative content, informative content and even the use of humor. One of the most successful advertisement campaign in USA is the one created by the advertising agency Goodby Silverstein & Partners for the California Milk Processor Board. This campaign was first idealized in 1993 with the motto “got milk?” to promote the use of cow’s milk by showing a person listening to the radio quiz program. When the commentator asked, as a \$10 000 worth trivia question, “who shot Alexander Hamilton in that famous duel?”, the man got very excited because he was very keen in the argument and had all the apartment packed with artifacts referring to the duel. However, as he had his mouth full of peanut butter and he was unable to wash it down because he finished the milk, the commentator wasn’t able to understand his answer²⁸. This commercial was so successful that the advertisement campaign continued for many years: it even reached a 90% of customer awareness in the United States and the slogan “got milk?” became a trademark. Nevertheless, as the United States are characterized by multiple ethnicities, the California Milk Processor Board understood that the advertisement “got milk?” wouldn’t affect Spanish speaking consumers, who are generally more milk drinkers than the other ethnicities. There were many reasons. First, the slogan “got milk?” would have been translated into something similar to “are you lactating?”, which doesn’t inspire buying milk at all. Second, the advertisements weren’t directed to mothers and grandmothers, who in the Latino households are those who generally make groceries and buy the milk. Finally, Latino communities give a lot of importance to values such as family and tradition and they wouldn’t understand the humor behind the “got milk?” advertisements. On the contrary, they would have been offended by the idea of a Latina mother running out of milk, because it would indicate that the mother is not a good housekeeper as the milk is an important element in the family nutrition. Thus, the California Milk Processor Board decided to implement an adapted version of the advertisement, which later became a new advertisement campaign called “Familia, amor y leche” (Family, love and milk). In fact, their first Spanish advertisement was featuring a

²⁸ To see the commercial: <https://www.youtube.com/watch?v=7JrB7Ygu6zk>

family scene, where the mother was cooking a traditional milk recipe typical of the Latino culture, such as the flan and then it ended with the question, directed to all mothers and grandmothers, “¿Y usted les dio suficiente leche hoy? (Have you given them enough milk today?).

So, the more the advertisement reflects the values of a certain culture, the more they will evoke emotions and reactions in the consumers' minds. Susan Tai and Jae Pae (2001) from Hong Kong study Chinese consumers' point of view regarding the two options of standardization or localization. They analyze the difference between the consumers' attitudes towards local made advertisements and foreign made ads and how can this affect their attitude towards the international brand and their purchasing intention. They find that, in general, Chinese consumers' have a more favorable attitude towards local made advertisements, because they perceive them as more interesting and less irritating and can easily understand the values reflected in the ads. Moreover, they prefer brands using local advertisement strategies because they convey a higher quality perception and, consequently, they have a higher purchasing intention thanks to local ads rather than the standardized ones. Finally, they also study which kind of creative executive style Chinese consumers prefer. They distinguish between two styles: the informational advertisements, where all the information about the product is explained in detail, and the transformational advertisements, where the detailed information are substituted by visual images that convey the same message intuitively. As the Chinese culture is a high-context according to Hall's classification, Chinese people prefer indeed emotional advertisements, that are intuitive and have indirect and ambiguous messages. So, an important distinction for advertisement purposes is between high context and low context cultures. Low context cultures will prefer an advertisement style clear, detailed and rational, where all the information is given explicitly, whereas a high-context culture will prefer a more affective or intuitive persuasion style, which evokes emotions and conveys the message implicitly.

Another important distinction can be between individualistic and collectivistic cultures. An individualistic culture will be more affected by advertisements emphasizing values such as freedom, independence, achievement, personal success and hedonism. A collectivistic culture, instead, will be more receptive towards advertisements valuing harmony, cooperation, interdependence, modesty, social hierarchies and family.

Han and Shavitt (1994) analyze the advertisements and their effectiveness in USA and Korea, that are respectively an individualistic and a collectivistic culture. They find that advertisements in USA are generally more individualistic than the Korean ones, as they emphasize more self-reliance, self-improvement and personal rewards, whereas the Korean ads highlights values such as family well-being, in-group goals and interdependence. They also discover that for American subjects, advertisements accentuating individualistic traits are more effective, while for Korean consumers, collectivistic appeals in advertisements are more persuasive. Furthermore, Han and Shavitt study also the factors that could moderate this cultural difference and they find that the type of product is very relevant. They distinguish between shared products, where the buying decision and the pattern of usage can include other members of the family, and personal goods, that are destined for the individual use, such as cosmetics or personal care. Through their studies, the authors are able to determine that the cultural difference is present for shared products, whereas in the case of personal products, both countries respond better to individualistic appeals as the products by themselves are for the use of the individual. This results are confirmed by Zhang and Neelankavil (1997) with their studies. They analyze the attitudes towards advertisements between the American and Chinese and find that, for non-personal products, US consumers prefer individualistic appeals, whereas Chinese subjects react more with a collectivistic appeal.

This cultural difference is reflected in Pepsi's commercials around the world. The American soft drink producer is known for hiring popular superstars for their commercials. This strategy is adopted both in US and in China. The themes however are quite different. One popular Pepsi commercial in USA is the one created for the Super Bowl of 2004, featuring the three pop princesses Britney Spears, Beyoncé and Pink wearing gladiator costumes and singing "We will rock you" in front of a whole arena. The spot lasts three minutes and shows how the three female gladiators, instead of fighting, decide to rebel against the emperor (played by Enrique Iglesias) and start singing the song, creating in this way an upheaval through the public (see Figure 15a). In this advertisement, the three protagonists convey a strong sense of strength and independence and these are individualistic traits that the company wants to use to persuade American consumers. In China, however, PepsiCo adopts a different strategy. For every year, during the Chinese New Year period, they have a particular advertisement campaign with the slogan "把乐带回家" (bring happiness back to home): they generally create a very short film, featuring

popular superstars of the moment. In 2012, for example, their commercial was based on the theme of the family and how generally Chinese people pass their holiday together no matter what.



Figure 15: a) USA commercial²⁹ b) China commercial³⁰

In the commercial, there is an old man who decides to help and host a homeless man in his house, as outside is freezing (see Figure 15b). So the homeless guy goes to the house and learns that the old man was waiting for his three children to come back home to celebrate the Chinese New Year, but as they all had other commitments, they decided not to come back home, forcing the old man to donate all the food that he had prepared for the occasion to his neighbours. The homeless guy then appears magically in front of each of the three children and makes them recall a memory of their childhood with their dad. The last scene shows the old man eating lonely who gets surprised by the arrival of all his children, who changed their plans in order to celebrate the holiday with their family. This advertisement emphasized a lot the importance of family, but it also values cooperation and interdependence when the old man helps the homeless guy and donates stuff to the other families.

²⁹ Source of the advertisement: https://www.youtube.com/watch?v=W7jkygJ_QNo

³⁰ Source of the advertisement: https://www.youtube.com/watch?v=h_qG71MA-8w&t=33s

Thus, this is an example of how the advertisement strategy can change depending on the culture of the targeting market and how, in some cases, it's better to localize than to standardize. The standardization or adaptation decision, however, is only one part of the advertisement strategy. There are yet other decisions that an international marketer has to make when creating an advertisement plan and in the next paragraph we are going to explore them.

2.1.3 Advertising strategy

To make an advertisement campaign, the international marketers must take a lot of decisions so that they can find the most efficient and effective solution for their needs. These decisions include different steps, which are setting the advertising objectives, setting the advertising budget, developing the advertising strategy and evaluating the advertising campaigns.

The first step is to decide which are the objectives of the advertisement campaign, which can be influenced by the other elements of the marketing mix, by the target market and the product positioning. Kotler and Armstrong (2010) define the advertising objective as “a specific communication task to be accomplished with a specific target audience during a specific period of time”, where the final result should be building customer relationships and creating customer value. They identify three different categories of objectives: informative, persuasive and reminder advertising objectives. Informative advertising refers to those ads used to introduce a new product in the market and to create a new brand or company. Persuasive advertising is adopted to make customers prefer and purchase their brand and product over their competitors or to make them spread the information to other people as well. Reminder advertising, instead, is used to maintain the customer relationship that the company has already built and to make the customer remember the product.

The second step consists in setting the advertisement budget. This is not an easy task, because it depends on many factors, such as the stage of the product life cycle and the market share. In fact, advertising a new product or building market share require a lot more expenditures than reminding people about an already known product or maintaining one own market share. Moreover, the presence of the competitors may influence too, as with more companies selling the same type of product, the more a firm

has to invest in order to be noticed by the consumers. Also the type of product and its attributes affect the advertisement budget, because when the characteristics are similar to those sold by the competitors, it will be more difficult to distinguish them.

After deciding the advertisement budget, the international marketer has to develop the advertising strategy, which is composed of two main elements: creating the advertising messages and selecting advertising media. Creating an advertising message is fundamental, because the marketer must be able, with only a few words, to persuade the customers into believing that they will benefit from the purchase of the product. They must create an advertising appeal that has three main characteristics: it should be meaningful, because it conveys all the benefits and information of the product; it should be believable, meaning that it is able to persuade consumers that the benefits are real; and it should be distinctive from the advertisements of the other products. An example of a successful advertising message could be represented by Nike's advertising campaign "Find your greatness". The advertisement is focused on the idea that greatness is not a gift reserved for chosen people, but it is something that everyone is capable of, so they show all average people doing something important for them, such as a fat man running (see figure 16a). The message that Nike wants to convey in this advertisement campaign is that nobody is born with greatness, but we can still accomplish our personal goals if we try our best and Nike will be there to help us.



Figure 16: a) Nike's "Find your greatness"³¹ ad b) Red Bull's advertisement³²

Another example of successful advertising message is provided by Red Bull's advertisement campaign "Red Bull gives you wings" (see Figure 16b). With this campaign

³¹ To see Nike's "Find your greatness" advertisement campaign: <https://www.youtube.com/watch?v=WYP9AGtLvRg>

³² Source: <http://redbull-brand.blogspot.it/p/about-red-bull.html>

the Austrian energy drink producer wants to persuade consumers that by drinking Red Bull, they will feel full of energy and more capable of doing anything they want, so that they can concentrate more and do their jobs better.

In addition to creating the advertisement message, marketers need to find also the most fitting execution style for the message idealized. In fact, there are many different execution styles that could be implemented. They can decide to use a factual message, where they rely straight forward the information and focus on the product and its attributes. They could also rely on scientific or technical evidence to support their product's quality or could make a demonstration of the product's utility by showing it in actual use. Marketers could hire a person to be a testimonial of the product, by telling his or her personal experience with it or they could introduce the product in a slice of life, by portraying an everyday situation, where the product is used to solve some problems. Another option would be to use animation, imagery or personality symbols, who can be represented by a spokesperson, an animated character or animals. An example is Procter and Gamble's popular mascot Mr. Clean, who is known all over the world with different names, but with the same image of a navy sailor similar to a genie. International marketers could also use dramatization or humor, like in the "Got Milk?" advertisement campaign or comparison, as did Apple in its "Get a Mac" campaign.

The other important element of the advertising strategy consists in selecting the advertising media. With nowadays technology, there are multiple ways in which a company can communicate with the customers. International marketers can choose between a lot of options, including internet, television, newspapers and radio. The choice can depend on different factors, such as budget availability, flexibility, target market and the level of development of the country. In fact, not all the countries are developed enough so that everyone has all the technologies at their disposal. In some cases, even if the country is developed enough, consumers are guided by their habits and are not used to rely on certain media. Thus, the marketers generally need to find the best combination of media to use for their advertisement aiming at reaching the highest percentage of consumer awareness.

The last step of the advertising program is to evaluate the advertising effectiveness and the return on investment, that is sales and profit effects on advertising. This is an important phase, because it helps marketers to understand whether their investments and marketing strategies were effective or not. People are always questioning the

worthiness of advertisements, especially when advertisements during the Super Bowl are demonstrated to be too expensive and with too little returns. Nevertheless, there are still many companies who decide to invest huge amounts in advertisements and some of them actually succeed.

2.2 VISUAL ADVERTISING

There are many different types of advertising. One of them is print advertising, that is an advertisement printed on paper, like newspapers, books, magazines or also direct mails. In nowadays society, 90% of the information sent to our brain is visual, as we are bombarded by a myriad of images everywhere and international marketers need to decide which visual media or combination of them to adopt. In fact, we are living during the era of visual culture and thanks to social media like Facebook, Instagram or Snapchat, people are used to share or exchange with other people pictures regarding every aspect of their lives. Consequently, consumers may have a slight preference towards an advertisement more visual: in fact, pages with an image generally receive 94% more views than a traditional page with only writing texts. So, a key characteristic of print advertising is that it relies heavily on visual images to communicate with consumers. As the English idiom says “A picture is worth a thousand words”, international marketers can convey a message even without writing any words, because sometimes an image is just enough to make the consumer understand and decide to purchase the product. In fact, the human brain is used since birth to process images, whereas the ability to process texts is learned during the years. That is why the human brain can process images 60.000 times faster than it does with a text. Even the most complex messages can be represented by a simple image. For example, the French bakery company Délifrance proposes a very simple picture of two baguettes shaped like slippers (see figure 17a). The advertisement is pure and simple and it doesn't have any words, a part from the logo of the brand on the corner, but it is successful and effective because it can convey to the customers a familiar and homely feeling and associate those feeling to their products. In fact, Délifrance is known for its frozen baguettes and the message that the company wants to communicate is that their products are ready and simple to be made in the comfort of the customers' homes.



Figure 17: a) Délifrance's baguette advertisement b) Levi's jeans ad³³

Another example is Levi's jeans advertisement (see figure 17b above). This image can express without words the main characteristic of Levi's jeans, that is the eco friendliness of this model. This new model, called Eco Jeans, is 100% made of organic material and it is also produced using sustainable processes that are totally respectful towards the environment. So, in the visual advertisement, the American clothing company decides not to hire the habitual models, but instead they put the clothes on a plant, in order to emphasize that the products were created by thinking about the safety of the environment. Thus, sometimes less and more simple is better. Ryu, Suh and Dozier from Texas University (2009) make an experimental study to find what elements in a print advertisement catches more the consumers' attentions. They identify five main design elements, which are body text, head text, brand logo, product image and human model image. Then they propose to the subjects to start reading a magazine, where inside they put specifically made visual images mixed with random advertisements. Through the experiment, they find that pictorial elements are those that capture more looking time and fixation, meaning that test subjects gaze at them for a longer period than other elements.

When creating a visual advertisement, international marketers need to take many decisions, regarding for example the format of the image, whether to put a text message or not, which kind of execution style to adopt and other questions that have been explained in the previous paragraph. An important decision that every marketer has to make carefully and should take only after having studied the culture of the target market is whether they want to focus on the content, that is the product itself or on the context.

³³ Source: <https://deucecreative.co.uk/10-excellent-examples-of-visual-advertising/>

In fact, as we will see in the next chapter, western consumers tend to be more focused on the focal object of an image, so marketers can concentrate on advertising the product and its attributes without putting too much effort on the context of their advertisements. Eastern countries, instead, are very responsive to their surroundings, so it is important to consider attentively which kind of context companies want to adopt in their advertisement. Moreover, marketers can use a significant tool in their visual advertising, that is color.

2.2.1 The use of colors and their significance

A fundamental and very effective tool that international marketers can use to convey more emotions and persuade consumers is the use of colors in visual advertising. Colors can evoke strong emotions and sometimes they are even more effective than words. Gorn et al. (1997) study the effects of color on the execution of the advertising strategy and on consumers' responses. They distinguish three independent properties of the color, which are the hue, that is the pigment of the color, the chroma, referring to its level of saturation, and the value, indicating the degree of darkness and lightness. In particular, they analyze how these determinants can influence consumers' moods and behaviors. And the results of their study show that higher levels of chroma and value have an effect on consumers' moods: in fact a higher level of chroma induces more excitement, whereas value influences the feelings of relaxation, which in turn gives a favorable impact on consumers. So, colors can be used to invoke a favorable attitude towards the advertisements. One of the most common mistakes made by marketers, however, is to standardize the use of colors in their advertisements, so that the colors that they use in an advertisement in one country is adopted also in another country. This could lead to cultural blunders, because colors do not have the same meanings everywhere. In some cultures, a color could be linked to a positive feeling, but at the same time it could be associated to a negative feeling in another culture. Below, we are going to study the different meanings of the main colors. The color red symbolizes passion, love, energy, danger and excitement in western countries, but in other countries it has a different meaning. In India it means also fear, fire, wealth, power and fertility. In Asian cultures it is a symbol of good luck and prosperity, so that weddings are decorated in red and also the brides' wedding dresses are red. Moreover, in China they have the custom of giving, as a present, red envelopes filled with

money during the special occasion like the Chinese New Luna Year. In South Africa, instead, red indicates mourning as it represents violence and the sacrifices made for the independence.

Yellow is associated with happiness, optimism, joy and warmth in some western countries, whereas it means jealousy and betrayal in France and Germany. In some other cultures, like the Egyptian and also the Chinese, the color yellow is linked to gold and royalty. In fact, Chinese emperors only wore yellow or gold colored clothing.

Blue can have multiple meanings as well. In western countries, such as Europe or North America, the color blue means both security, trust and depression, loneliness. It could also be a symbol of masculinity in some western cultures and of femininity in others, like in China.

Another common color is green. Green is generally associated with luck, nature, spring, inexperience and jealousy. In Eastern and Asian countries it means fertility, health, youth and prosperity, but it could also mean infidelity. In fact, in the Chinese language there is an idiom according to which, if a husband is “wearing the green hat”, it means that his wife is cheating on him. And in other countries, in particular South American ones, green represents death, because it is linked to their forests and their environmental problems.

Black, instead, represents death, illness, evil, magic and mystery, whereas in some Middle East countries it is associated to rebirth and in Africa it means maturity and masculinity.

Finally white is quite controversial. In fact, in western cultures, it represents purity, elegance and cleanliness, while in Asian countries like China and Korea it is linked to death, mourning and bad luck. For western people, as an example, the traditional wedding dress is a white long gown, initially introduced by Queen Victoria and it is normally embroidered or laced with elegant decorations. For Chinese people instead, it is a little more complicated. In fact, Chinese brides generally wear two wedding dresses in one ceremony: first they wear the modern white wedding dress in order to make the vows. Afterwards, the bride changes to the traditional Chinese wedding dress, the “qi pao” or cheongsam, which is generally a body-hugging onepiece red with gold motives (see figure 18). The act of first wearing the white gown is a typical consequence of westernization: this generally happens only in the big cities that are more modernized, while in the rural places there is only the red dress. Moreover, Chinese people generally wear white and black during the funerals and in some localities, family members of the deceased must wear everything in white color.



Figure 18: The use of red and white in western and eastern cultures³⁴

So, for each culture there are different meanings and in some cases, even opposite associations. International marketers need to be very careful about which color to adopt in their advertisements and need to consider the possible implications of implementing the same combination mix in different cultures.

2.3 CONCEPT OF FAMILIARITY

One important concept of marketing studies is familiarity, which can be defined as an “understanding, often based on previous interactions, experiences, and learning of what, why, where and when others do what they do” (Gefen, 2000). It refers to the knowledge that a person has about someone or something, thanks to which they feel closer and more comfortable. In marketing it could be linked to the concept of brand awareness: in fact, consumers tend to have more positive attitudes towards the brands with which they have already past experiences or of which they have some knowledge. So, many customers are willing to spend more money to buy products of familiar brands rather than goods with the same attributes, but belonging to unfamiliar brands. One typical example is represented by the medicines. If you go to the pharmacy to buy a fever reducer or a medicine for the cold, you will find all the shelves full of brands that most probably you have often seen in the advertisements and that you are familiar with, so you will have the

³⁴ Sources for white dress: <https://it.pinterest.com/pin/528961918713171136/>; for the Chinese red wedding dress: <http://www.ebay.com/bhp/chinese-wedding-dress> ; for Chinese funerals dress code <https://www.quora.com/Is-it-a-fact-or-speculation-that-the-Ming-Dynasty-is-Muslim>

tendency to buy one of those. Few people instead go to the pharmacy and buy the generic medicines, referring to those medicines without brands that have the same attributes and healing properties as the branded ones, but sold at lower prices. In fact, as consumers are not familiar with those medicines, they start doubting their effectiveness and sometimes they even associate the lower prices to possibly negative unknown causes. This is caused by the fact that familiarity is linked to the building of a trusting relationship. People trust only what they know and are familiar with. Let's think about a person who takes the train every day to go to work and sees another woman taking the same train: as he meets her in the same train very often, she has become a familiar person even if he doesn't directly know her. And if one day the man needs help, he will have the tendency to ask the familiar woman instead of other unknown and unfamiliar passengers, because in some ways he trusts her more. The same happens with consumer behavior: customers become more aware of a certain brand, get familiar with it and start trusting it almost implicitly.

Thus, international marketers have to create or increase their own brand awareness and make the consumer feel more familiar with the product. There are different ways to do so. One is through advertising: by creating something memorable that catches the consumers' attention or by the repeating the same advertisement in more places multiple times, the information can be also unconsciously assimilated by human brain, so that the customers cannot remember exactly the advertisement or the product, but if they see it somewhere like a supermarket, they may be triggered into buying that product instead of others. The concept of familiarity is indeed linked to the mere exposure effect, according to which repeated exposure to a certain stimulus can increase a positive feeling and attitude or reduce a negative one towards that stimulus (Harmon-Jones et al, 2001). How many times have you experienced a change of opinions towards a certain song? When a song is released and a person listens to it for the first time, he may not like it or may be completely indifferent. However, as a new song is generally reproduced many times through multiple channels, that person starts to slowly and unconsciously change his attitude towards that song and may even begin liking it. A typical comment is something like "by keep listening to it, I'm starting to like it": this happens because the more the person listens the song, the more he becomes familiar with it and the more he associates positive feelings.

Thus, repetition is a strong tool that marketers use to increase also brand awareness. It happens quite often that when a product enters the market for the first time, many customers are skeptical into trying it and they don't believe immediately the information

provided to them by the advertisement campaigns. As an example, when the British multinational company Reckitt Benckiser first introduced its new product, the stain removal Vanish, not everyone believed in it at first. In fact, many thought that the product would be similar to all the other stain removal. So, Reckitt Benckiser based its advertisement campaign with the slogan “Trust pink, forget stains” and used as execution styles testimonials or slice of life, where they show housekeepers using the product to remove nasty stains. And with time and effort, customers started trying it, so that nowadays this pink colored container is the global stain removal market leader, sold in more than 60 countries.

Furthermore, familiarity affects also memory. Human brain tends to remember more easily familiar things rather than completely new ones, because for unknown things there is more information that need to be assimilated. Xie and Zhang (2016) make a funny, but quite interesting study on the relationship between familiarity and visual short term memory. They hire some college students and show them pictures of Pokémons, which are fictional animal characters derived from a quite popular cartoon and videogame. These Pokémons can be divided into two generations, depending on which series they appeared. Most of the college students are familiar with the first generation of Pokémons, some of them with a lower level of familiarity, whereas they do not have a lot of knowledge regarding the second generation. The study consists on showing them pictures of Pokémons from both generations and then asking the subjects to represent what they remember. The results show that long term memory, referring to the level of familiarity and knowledge, affect short term memory performances. In fact, between the pictures showed during the test, students are able to remember more the first generation of Pokémon, whereas they have more difficulty into recalling those belonging to the second generation. Moreover, students who have a lower level of familiarity of the first generation of cartoon animals as well perform worse than those with more familiarity. So, the level of familiarity influences short term memory. In marketing terms, consumers tend to remember more the advertisements of the brands with which they have more familiarity than those of the competitors. This is demonstrated also in Kent and Allen’s study (1994). In their experiment they show the subjects a series of advertisements regarding new products of brands whose level of familiarity is different. The results show that consumers are able to recall better the information of the new products for familiar brand rather than unfamiliar ones.

This has important implications for marketing interests, but it also influences the results of the experiment of this dissertation, that we are going to explore more in detail in the next chapter.

CHAPTER 3

EMPIRICAL STUDY

To better understand the differences in consumer behavior between western and eastern countries, we made an empirical study, composed of two parts, that were proposed to young people, mostly students, in Italy and China. In this last chapter, we are going to explain in detail both experiments and we will see whether the results confirm the theoretical part. The first part introduces the main theory on which this whole dissertation is based on, that is the holistic versus analytic thought. In fact, many studies and experiments have demonstrated that while western countries are characterized by an analytic thought, eastern people have a holistic way of thinking. The second part of the chapter will describe the first experiment and its results. The third part, finally, will explain the second experiment and discuss its results.

3.1 PREMISES

Before introducing the two main studies of this dissertation, we are going to first explain the theory on which it is based. This whole study was inspired by Nisbett's book "The Geography of Thought. How Asians and Westerners think differently.....and why" (2010). In his work, Nisbett analyses the main cultural origins and differences between western and eastern countries and explains his theories, according to which western people have more an analytical approach and lifestyle, whereas eastern cultures are based on a holistic thought. In fact, as already introduced in the first chapter, western cultures are originated by the ancient Greek society, which was based on concepts such as individuality, curiosity, freedom and research of knowledge. They view the word as composed of single objects and think that by studying the attributes of each single object, they can find the universal explanations and theories. Eastern cultures, instead, have origins like the ancient Chinese society, which was based on the interdependence and harmony principle, so that everyone is a member of a community and is dependent on both the other members and the community as a whole. They view the world as one unity and believe that changing one thing can have consequences on everything else. This difference between the two cultures has also implications on the level and type of attention that people give to what

they see. In one experiment, for example, Masuda et al (2008) show two cartoon images to western and eastern subjects and study their interpretations (see figure 19).

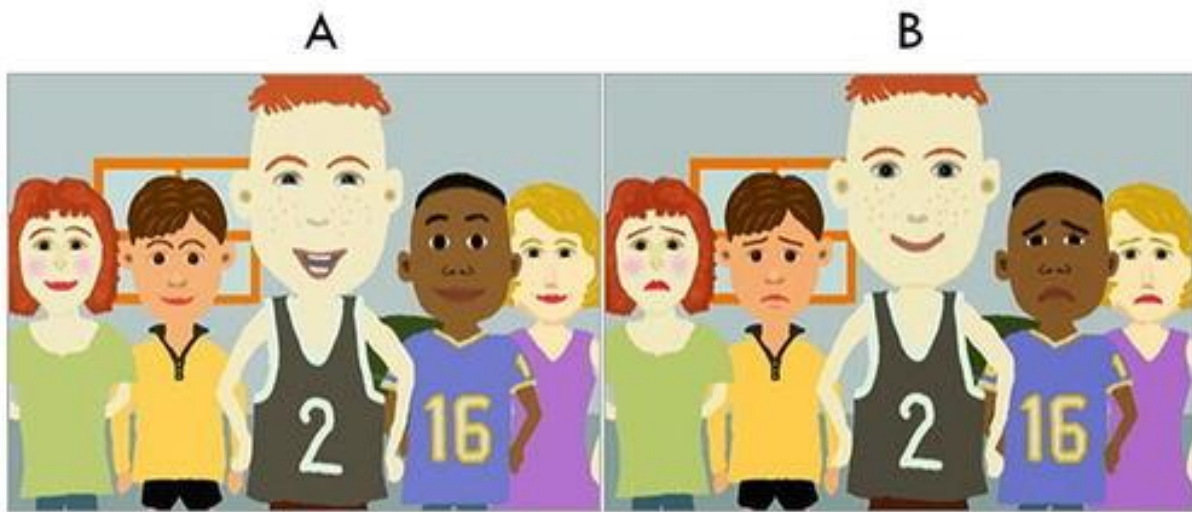


Figure 19: Masuda's experiment³⁵

These two images are very similar, because both show a group of people, but while in the first picture everyone is smiling, in the second one only the man in the middle is smiling. The respondents are asked for both pictures whether they think if the figure in the middle is happy or not. So, subjects from western cultures answer that the figure is happy in both images, while according to eastern country people, the man in the second image is not happy, because the other people have a sad face. This demonstrates that western people tend to pay more attention to the focal point of an image, whereas eastern cultures give importance also to the context and consider it as a variable in their interpretations.

Also Nisbett analyzes this theory through an experiment done in collaboration with Masuda (2001). In the test, they propose to the subject vignettes of underwater scenes. In each scene there is a focal fish, that is generally large, with salient colors and at the center of the picture, that is swimming in an underwater context. The results that they obtain is that westerners are indeed more analytical and focus on one part of the image, so the first thing that they remember afterwards is the focal fish. Easterners, instead, have a holistic view and the first thing that they recall are part of the background. Moreover,

³⁵ Source: Masuda, T., Ellsworth, P. C., Mesquita, B., Leu, J., Tanida, S., & Van de Veerdonk, E. (2008). Placing the face in context: cultural differences in the perception of facial emotion. *Journal of Personality and Social Psychology*, 94(3), 365

they demonstrate that eastern culture pay more attention to the field, so they can remember more background information than western people.

This is also what we are trying to reproduce with the experiments in this dissertation. Thus, our hypothesis is that people from western countries, represented in this case by Italians, have an analytical thought and remember more information belonging to the focal part of an image. People from eastern cultures like China instead pay more attention to the background and display a holistic thinking.

3.2 STUDY 1

In the first experiment, to verify the hypothesis above, we study the power of recollection about a series of images that are shown to the subjects for a few seconds.

3.2.1 Method

Participants

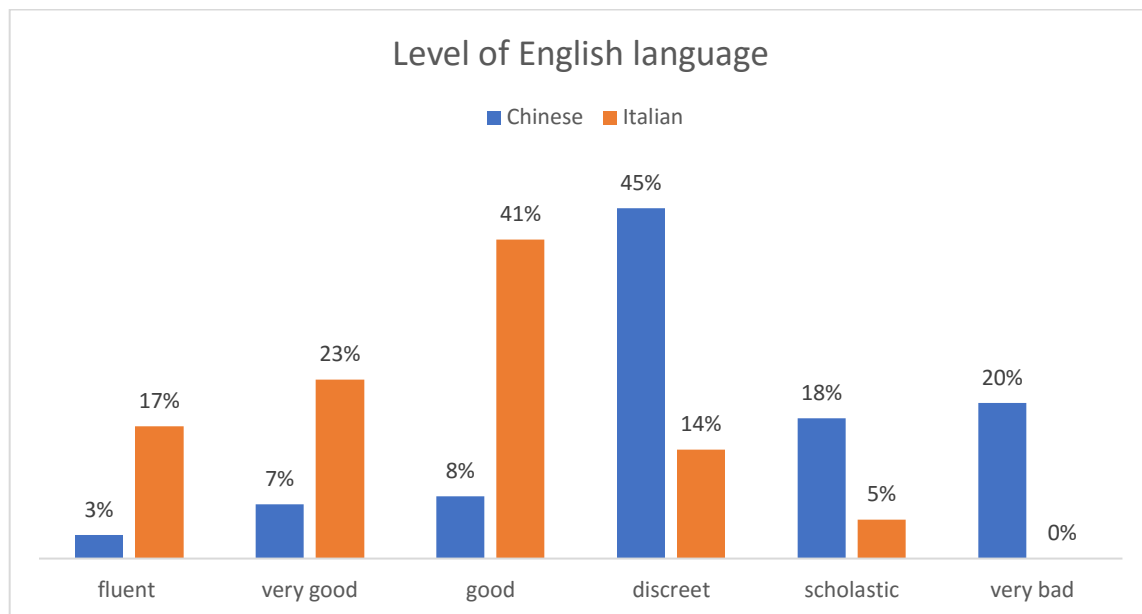
This study involves a total of 140 respondents who answered fully to all questions, including 76 Chinese subjects and 64 Italians. Their age range is between 17 and 30 years old, with an average age of 23 years. In both groups there is a predominance of female responses: in particular, the Chinese sample is composed by 80% of female respondents (61 versus 15 males), while the Italian one shows a 77% of female sample (49 against 15 males).

Chinese respondents are mostly students, who represent 75% of the sample (57 subjects), followed by 18% of workers (14) and 7% of unemployed subjects (5). The Italian sample too is composed by 95% of students (61 responses), with the remaining 2% of workers (1 subject) and 3% of unemployed people (2).

5 Chinese respondents have been abroad for a minimum period of 6 months and two of them were in western countries, so their responses may have been influenced by the acquisition of western culture. For the Italian sample, instead, 38 respondents have been abroad for a long stay of minimum period of 6 months, but none of them were in Asian countries, so there is no possibility of contamination.

An important factor that has been taken into consideration is also their level of English language. In fact, if the respondents are not familiar with English, they may have more

difficulty into understanding what is written in some pictures, pay less attention to those writings and not remember them. We distinguish 6 levels of knowledge of the English language: fluent, very good, good, discreet, scholastic and very bad. When asked about their level of English, Italian respondents were more confident and most of them evaluate themselves between fluent and good level. Chinese respondents, on the contrary, self-assess themselves between discreet and very bad (see graphic 1 below).



Graphic 1

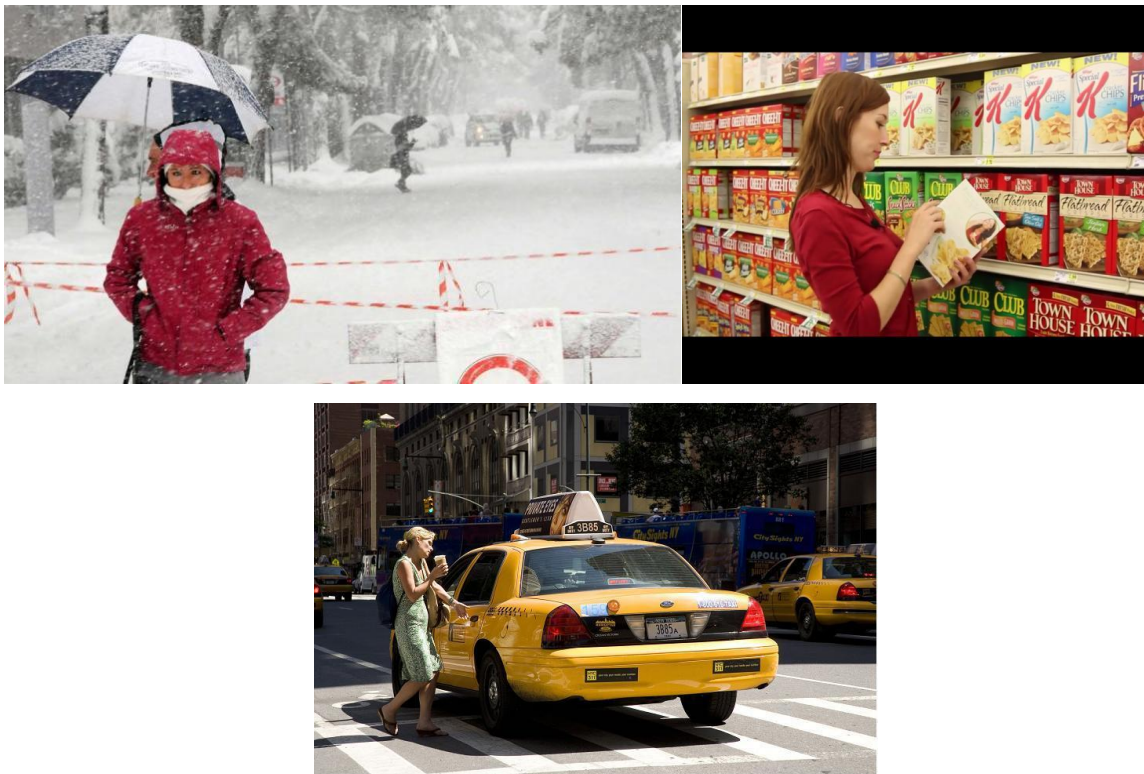
Materials and procedure

This study consisted on an online survey created on a private research software called Qualtrics. Two survey are made for the study: they are completely the same, with the only exception that one is in Italian language and the other is in Chinese. The survey is characterized by a total of 16 questions related to three images and a short video clip. It starts with an introductory message giving the general information and it says as followed:

“In the following survey you will see three images and a short video. For each image you will have 10 seconds to look at it, afterwards you will have to answer a few simple questions. Please do not go back to the images in order to answer the questions. The survey will take only a few minutes and it’s completely anonymous. Thank you in advance for your collaboration.”

Afterwards, three images are showed. The first image shows people walking in a street in a snowy day and two people that are standing at the front, while the second image features a woman dressed in red, who is looking at a box of chips in front of shelves full of products. The third picture shows a woman with coffee in hand, who is taking a taxi in New York city (see images below for reference).

Each image is shown for 10 seconds, then the system automatically switches to the questions related to that image, which consist of one open question, in which the respondent is asked to shortly describe what they remember of the image and three closed questions, regarding details of the image, that could be referred to either the focal objects or the background information.



Three images shown in the survey

For each closed question, respondents have two options: answer A, followed by a blank space where they can write their response and answer B, which is “I don’t remember”.

After this procedure is done for each of the three images, the survey shows a short video clip of 8 seconds featuring a tourist asking information to some Venetian old women³⁶.

³⁶ To see the video clip: <https://www.youtube.com/watch?v=3cB4LfqQ13A>

Then, there is the same open question asking to describe what they remember of the video, followed by three closed questions of the same typology of the others.

Lastly the respondent is asked to answer a few personal questions, finalized for demographic studies.

The survey is distributed by sharing a web link, that enables the respondent to click on it from his or her cellphone, tablet or pc and go directly to the correct page in Qualtrics.com.

3.2.2 Results and discussion

The results of this study are quite interesting. In fact, instead of confirming the hypothesis, they show that there is no such a difference between the two cultures. In the analysis of the results, three types of responses could be found for the closed questions: the subjects chose answer A and gave the correct answer; they chose answer A, but gave the wrong answer; or they chose answer B “I don’t remember”. Both the wrong answer A and answer B are considered as non-correct answers in this case. By looking at the results derived by the questions of the first image, it is possible to see immediately the similarity of the percentages.

FIRST IMAGE			
Question n.	Type of information	Chinese	Italian
2	Focal object	42%	50%
3	Background information	39%	34%
4	Background information	58%	47%

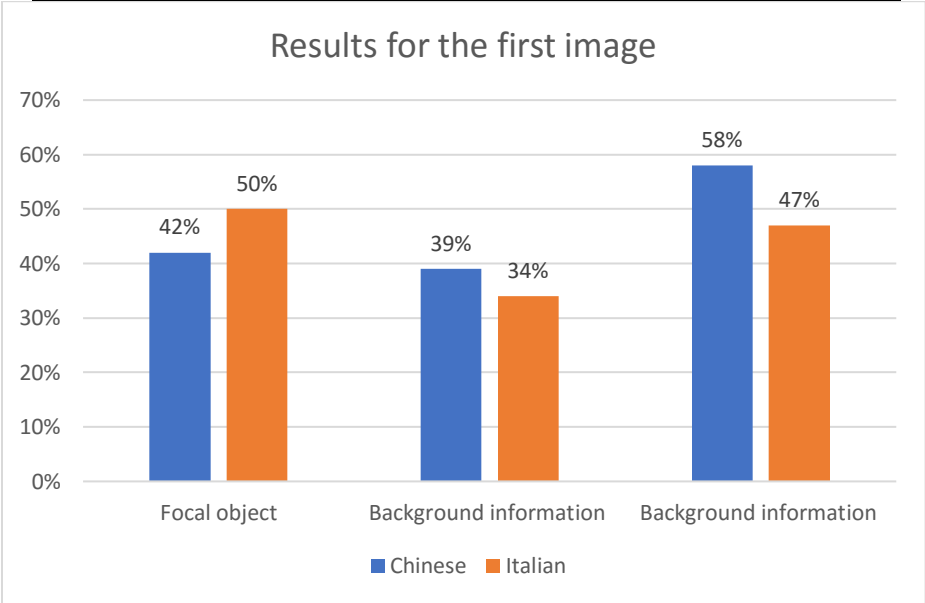


Table 1 and Graphic 2

In this tables there are the percentages of the correct answers for each closed question related to the first image. It is possible to see that the responses are similar indifferently from the type of information asked. In fact the percentages between Chinese and Italian respondents are very similar both in the case of questions regarding focal objects and for questions referring to the image context. Also the Fisher's exact test demonstrates that for all three questions there is no significant difference: their two-tailed p-value is respectively 0.3964, 0.5999 and 0.2349.

For the second image instead there are some differences that can be seen in relation to the third and especially the fourth question.

SECOND IMAGE			
Question	Type of information	Chinese	Italian
2	Focal	32%	30%
3	Background information	8%	0%
4	Background information	24%	89%

Table 2

The third question asks respondents which kind of products are sold in the shelves of the supermarket represented in the second picture. This is a difficult question, as only 6 respondents in total answered correctly. The picture makes the observer conclude that those boxes contain cereals, because this is the normal situation and what we are familiar with. So, most of the respondents gave the wrong answer because they made the mental association with what they were familiar. In reality, those were boxes of chips and crackers. So, for this case, Chinese people were more observant of the contextual details and the two groups resulted significantly different with a two-tailed p-value of 0.0313.

Also the fourth question showed a significant difference with a two-tailed p-value of <0.0001. Respondents were asked to remember the brand names showed on the boxes. In this case, Italians answered a lot better than Chinese. This result, however, is affected by the effect of familiarity: in fact, one of the reason why Chinese people weren't able to answer correctly is because they were not familiar with none of the brands showed, whereas Italians were very familiar with at least the Kellog's brand.

The answers for the third image include two questions too with a Fisher's exact test showing a significant difference. The second question asked the color of the bus situated

in the background. 77% of Italian subjects responded correctly against a 39% for Chinese respondents, with a two-tailed p-value of <0.0001.

THIRD IMAGE			
Question	Type of information	Chinese	Italian
2	Background information	39%	77%
3	Focal	47%	14%
4	Background information	4%	14%

Table 3

Also the third question showed a two-tailed p-value of <0.001. The question was asking the license plate number of the taxi represented in the foreground and here, in opposition to the initial hypothesis, Chinese respondents answered better than Italian.

The fourth question instead showed no significant difference in the Fisher’s exact test. These results, however, are influenced again by the effects of familiarity. In fact, Chinese people are not familiar with New York city, which is a typical western city while on the contrary they are familiar with numbers. Moreover, as they generally have a positive attitude towards the number 8 (the license plate number was 3885) because it means prosperity and good luck, Chinese tend to remember more easily those numbers.

VIDEO			
Question	Type of information	Chinese	Italian
2	Background information	17%	14%
3	Background information	9%	11%
4	Background information	8%	33%

Table 4

The three closed question related to the short video-clip are all based on the background information, but only in one of them the two groups are significantly different. The two-tailed p-values for them in fact are, respectively, 0.6496, 0.7828 and 0.0002. Thus, only the third question showed some difference, but not in favor of the hypothesis as the results show that Italian respondents performed better than Chinese.

Also the responses for the open questions show a certain similarity between the two groups. The general pattern for both groups was indeed to start describing what they

remembered about the foreground and then writing about the context and the background.

So, according to the results of this test, there are no significant differences between people coming from China and Italy. Some results show some level of significant difference, but most of them are influenced by the effect of familiarity, making the results not very reliable.

3.3 STUDY 2

In order to obtain results not affected by familiarity, it was created a new test, where the images selected have the same influence on both groups and they show three different scenarios: a neutral scene, an unfamiliar scenery and a familiar setting.

3.3.1 Method

Participants

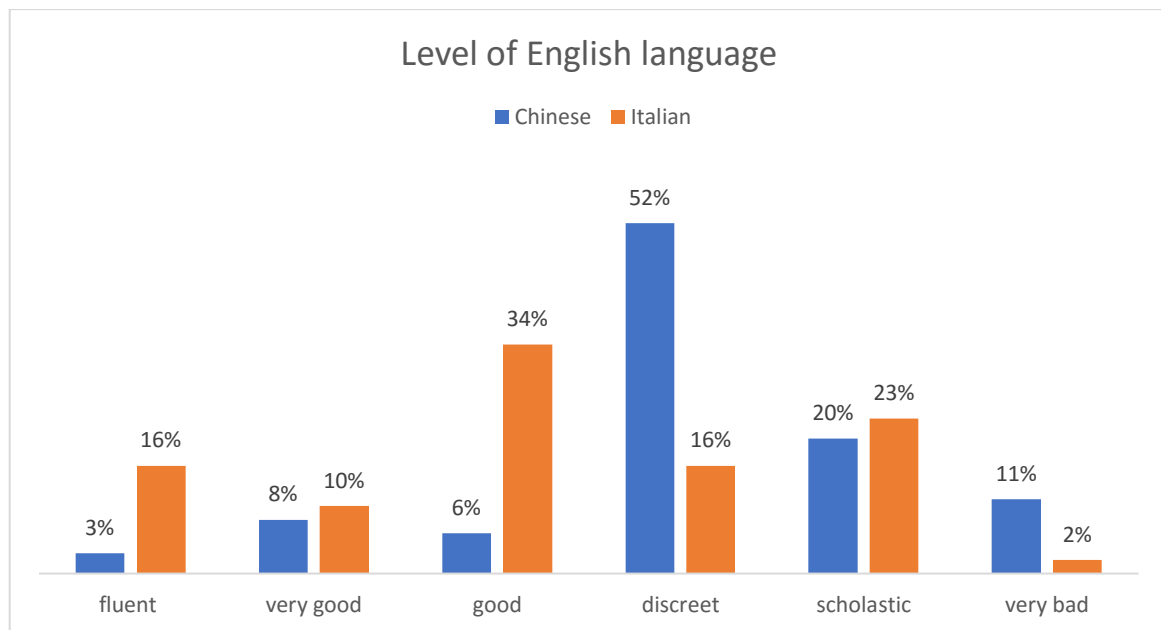
The test involves a totality of 126 subjects: 64 Chinese respondents and 62 Italian ones. For Chinese subjects, the age range is between 18 and 31 years old with an average of 20 years. The Italian age range, instead, is between 18 and 34 with an average of 24 years old. 80% of Chinese are female against 20% of male respondents, whereas for Italians there is a 68% of females against 32% of male subjects.

Chinese respondents are quite homogeneous in their occupation as 95% is composed by students and the remaining 5% are workers. The Italian sample, instead, is more distributed with 63% of students, 34% of workers and 3% of unemployed.

In the Chinese sample only one respondent has been abroad for at least 6 months, but he stayed in another Asian country, so there is less risk for a contaminated response. Also in the Italian sample there are 11 people who went abroad for a period of minimum 6 months, but none of these cases were located in an Asian country.

As for the respondents' level of English language, we use the same differentiation in 6 levels that were adopted for the first test. The Chinese group of the second test is quite consistent with what the Chinese subjects of the first test answered, meaning that they mostly self-evaluate their English as discreet or scholastic. For the Italian group, however,

there is more differentiation than in the first test, because their answers are not concentrated on a few levels, but are more diluted (see graphic 3).

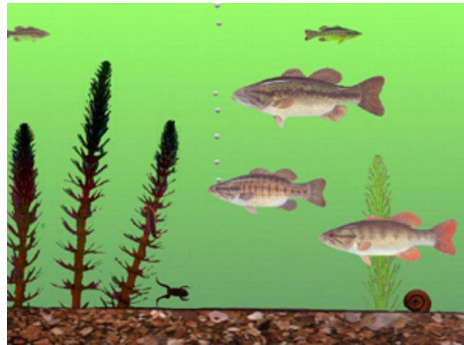
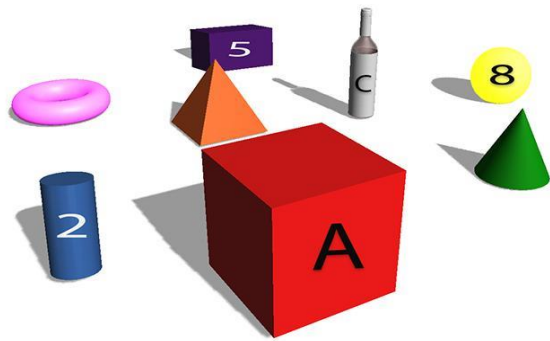


Graphic 3

Materials and procedure

The second test adopts the same type of materials and procedure as the first test. So it is based on an online survey created on the research browser Qualtrics.com and it is distributed to the subjects by using a web link that connects their devices directly to the survey.

The test is composed of four main sessions. It starts with the same introductory message as the first test. Also the first and the second sessions have the same structure as the first test: in fact, a picture is showed to the subjects for 10 seconds, followed by an open question, asking to describe what they remember about the image, and three closed questions that are related to either a foreground or a contextual information. The first image represents a neutral scenario because it represents a series of geometrical figures with different shapes, colors and numbers or letters. The second picture is considered neutral too, because it represents an African market with different people represented. Both images are considered neutral because the two groups of subjects should possess the same level of familiarity, as geometrical figures should be known to every culture, while the African setting is not very known in both countries.



These are the three images used in the second test

The third session is characterized by a picture as well (see the one above), followed by a series of questions asking whether certain elements are present in the main image or not. For this session, we are using the same image that was used in Nisbett's experiment, to see if we are able to obtain the same type of results. The image is representing a scenario with all elements that are familiar with both types of respondents, that is three fishes swimming in an underwater scenario, where there are other animals and a few seaweeds. Then, the test finishes with a fourth session asking personal information questions that are used for demographics.

3.3.2 Results and discussion

As there was a possibility that the results of the first test were influenced by the different levels of familiarity that the two groups presented regarding the three images, it was decided to create another survey and use only images, for which both cultures presented the same level of familiarity, to see if in this case, the hypothesis would be confirmed. Unfortunately, also the results of this test aren't able to confirm the hypothesis. In fact the Fisher's exact test shows that none of the answers between the two groups are significantly different.

For the first image, the first question asks the subjects which geometrical figures they can remember from the picture showed before. In the Italian responses there is not any difference between the percentage of figures remembered that are in foreground and those in the background, while theoretically they should have remembered more the figures at the front than those at the back. The Chinese respondents, who should have remembered more the figures in the background, show instead a preference for recalling objects in the foreground.

Also the closed questions don't show significant difference between the two groups.

FIRST IMAGE			
Question	Type of information	Chinese	Italian
2	Background information	30%	16%
3	Foreground information	9%	18%
4	Background information	19%	11%

Table 5

In fact, the Fisher's correct test shows that these three questions present, respectively, a two-tailed p-value of 0.0909, 0.1992 and 0.3209. So, the results are the same both in the case of asking background information and foreground information, even though the level of familiarity should be the same.

The same happens with the second image. For the open question of describing what they could remember of the image, Chinese respondents tend to start the description by writing about the child in the foreground followed by the context description, whereas Italian subjects, on the contrary, tend to start with the context information followed by the recalling of the child at the front. Theoretically it should have happened the opposite.

SECOND IMAGE			
Question	Type of information	Chinese	Italian
2	Foreground information	67%	82%
3	Foreground information	16%	6%
4	Background information	17%	11%

Table 6

The answers of the two groups for the closed questions do not indicate significant difference either, as their p-values are 0.0911, 0.3241 and 0.6873.

For the third image, it was used a different kind of approach for the closed questions. In fact the questions are composed by a series of vignettes with an element represented in a certain background and respondents are asked whether those elements are present in the main picture or not. The vignettes present different combinations. Some of them have the original background of the main image and some have a different background, whereas also the elements are divided into those present in the main image and those that are not linked.

THIRD IMAGE			
Question	Type of combination	Chinese	Italian
2	Original background + New element	80%	94%
3	New background + Old element	91%	98%
4	Old background + Old element	84%	79%
5	New background + Old element	86%	84%
6	New background + New element	98%	97%

Table 7

Also in this case, none of the answers present significant difference between the two groups. Theoretically, people from Asian culture should have more problems into remembering correctly if an element is present in a picture previously showed if the background is changed from the original one. The results of this test, however show that, indifferently from the background, both groups of respondents have answered in a similar way. The same happens with the results of the first question related to the third image, that is the open question asking to describe what they could remember. In Nisbett's experiment, many Asian respondents started by describing the context first, whereas American subjects started with the description of the focal point, which is the fish. In our experiment, however, both the groups preferred answering with the focal point first. Thus, even though the influence of familiarity was reduced to a minimum in this second experiment, it is still not possible to confirm Nisbett's theory when making a comparison between Italian and Chinese subjects.

3.4 LIMITATIONS AND FURTHER STUDIES

There could be many reasons for which the results of the two tests were not able to confirm Nisbett's theory. The level of familiarity definitely influenced the results of the first test. There are many differences between these experiments and the ones conducted by Nisbett. First of all the image with the fish was more a video-clip showing the fish moving in the underwater scenario. Second the respondents in his experiment answered orally and immediately, whereas in our experiments, the subjects had time to think more carefully.

One possible factor influencing the results, however, could be the nationality of the subjects. In this dissertation the tests were subjected to Italian and Chinese people, whereas Nisbett proposed his experiment to American and Japanese. As Italy, belonging to Europe, is more in a centralized position between Asia and America, it could be possible that the European thinking is more similar with the Asian ways than we thought. Or it could be that the America culture is the key factor to obtain the same results.

American culture is quite the opposite of the Japanese culture and this could have influenced a lot the results of the experiment.

Unfortunately, it was not possible to find enough American subjects to create a significant sample that could be used to compare the results with the Italian and the Chinese subjects. So an opportunity for further studies in this matter could be to present the context sensitivity test of this dissertation to American subjects and see if in that case, the hypothesis according to which western people think analytically and focus on the main objects, whereas eastern people think holistically and focus on the context, is true or not.

CONCLUSIONS

This dissertation is based on the study of the effects of culture on western and eastern consumer behavior, with a focus on visual advertising. According to the theoretical study, culture is indeed one of the various factors that can influence consumers' behaviors and their making decision processes. So the differences between western and eastern consumer behaviors are determined by their cultures, which in turn depend on their origins, represented respectively by the ancient Greek and the ancient Chinese society. One particular aspect that is studied refers to the differences in context sensitivity between the two cultures and how people interpret visual images. The general theory that inspired this work is that western people should have an analytical mentality, meaning that they see the world as a collection of separate objects, whereas eastern people should have a holistic way of thinking, because they see everything interconnected as part of a whole. So two test experiments are performed towards Italian and Chinese subjects to see if the general theory is reflected in the reality. In these two tests, respondents see a series of images for a short time and then they have to respond a few questions regarding their content. The hypothesis is that when looking at an image, test subjects from western countries should focus on the focal objects, whereas eastern cultures subjects should see the focal objects as part of the context depicted in the image. So, when asked about background information, eastern people should be able to recall it more correctly than western people. The results of these tests, however, do not confirm the initial hypothesis. In fact, from the answers provided by the test subjects, there is not a significant difference between the two groups, implying that both Italian subjects and Chinese respondents have paid more or less the same amount of attention to the focal objects and the background and they have applied a similar interpretation of the images.

These results are quite interesting because they show a different outcome from the general theories and arise a few questions regarding their validity on every culture. In fact, one of the reasons that have led to these results could be the possibility that western culture or eastern culture are not homogeneous. The term "western culture" is very broad, because it includes a lot of different countries and continents such as America and Europe. Each country, however, has its own history and traditions that can bring different variations of cultures. For example, USA and European cultures are very different from

each other, as they have distinctive heritages, ways of thinking and behaviors. In Hall's classification between low context and high context culture, the distinction does not reflect the division between western and eastern countries. In fact, South European and Asian countries result being high context cultures, whereas Germany and America have low context cultures. Also GLOBE researchers use nine cultural attributes to classify the 61 nations analyzed into 10 different cultural or regional clusters. Based on the cultural similarities, they identify: Anglo cultures, including England, USA and Australia; Latin Europe, such as Spain and France; Nordic Europe like Finland; Germanic Europe; Eastern Europe; Latin America; Sub-Sahara Africa, such as Nigeria; Arab, including Turkey and Morocco; South Asia, like India and Thailand; and Confucian Asia (Gupta et al, 2002). The Anglo cluster, as an example, refers to Australia, Canada, England, Ireland, New Zealand, South Africa and USA. These countries share many cultural attributes, apart from the English language that they acquired from the British Empire. In fact, they are generally performance oriented and value individualism. They are mostly male-dominated, but aim at gender equality. They are a little paradoxical because in the practical life they are very individualistic, but they value and respect collective rewards and family life. Thus a good and successful manager must be able to balance these factors by being charismatic and inspirational, but at the same time they must be participative and encourage teamwork (Ashkanasy et al, 2002).

Nevertheless, even the same regional cluster could present cultural differences. Countries such as Czech Republic, Poland and Hungary are generally seen together as representing Eastern Europe, implying also that they have similar cultural attributes. In reality these countries show cultural differences as well. Skinner et al (2008), for example, use a series of determinants of national identity and ask students from these three countries to rank those determinants in accordance to how much they actually represent their country's national identity. And the results show that Czech Republic, Poland and Hungary present three different national identities and cultures, so it would be incorrect to consider them into one single cluster and assume that they have similar cultures.

Thus, marketers should be careful and not generalize too much. In fact, also between western or eastern cultures there are cultural differences. International companies should study the characteristics of each market before entering, because every country has their own cultural attributes.

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STUDY 1

INSTRUCTIONS.

In the following survey you will see three images and a short video. For each image you will have 10 seconds to look at it, afterwards you will have to answer a few simple questions. Please do not go back to the images in order to answer the questions. The survey will take only a few minutes and it's completely anonymous. Thank you in advance for your collaboration.

FIRST IMAGE

Please look at the following image for 10 seconds.



QUESTION 1: Shortly describe what you remember of the image.

QUESTION 2: What was the color of the umbrella in the foreground?

- A: _____
- B: I don't remember.

QUESTION 3: What was the color of the van located on the side of the road?

- A: _____
- B: I don't remember.

QUESTION 4: What was there on the left side (your left side) of the road?

- A: _____
- B: I don't remember.

SECOND IMAGE

Please look at the following image for 10 seconds.



QUESTION 1: Shortly describe what you remember of the image.

QUESTION 2: What was holding the woman?

- A: _____
- B: I don't remember.

QUESTION 3: What kind of products there were on the shelves?

- A: _____
- B: I don't remember.

QUESTION 4: Which brands do you remember?

- A: _____
- B: None.

THIRD IMAGE

Please look at the following image for 10 seconds.



QUESTION 1: Shortly describe what you remember of the image.

QUESTION 2: What was the color of the bus on the background?

- A: _____
- B: I don't remember.

QUESTION 3: What was the license plate number of the taxi in the foreground?

- A: _____
- B: I don't remember.

QUESTION 4: What was the light color of the traffic light at the end of the street? (green, yellow or red)

- A: _____
- B: I don't remember.

VIDEO

Please watch the video for a few seconds. (It has no sound)

<https://www.youtube.com/embed/3cB4LfqQ13A?rel=0>

QUESTION 1: Shortly describe what do you remember of the video clip.

QUESTION 2: What was the backpack color of the little girl on the scooter?

- A: _____
- B: I don't remember.

QUESTION 3: How many people were seated at the bar tables?

- A: _____
- B: I don't remember.

QUESTION 4: What was the color of the hat of the man with a dark shirt?

- A: _____
- B: I don't remember.

PERSONAL QUESTIONS

QUESTION 1: Age (in figures)

QUESTION 2: Gender

- Male
- Female

QUESTION 3: What country do you live in?

QUESTION 4: Have you ever been abroad for more than 6 months? If yes, where?

- Yes: _____
- No

QUESTION 4: What is your level of English?

- Fluent
- Very good
- Good
- Discreet
- Scholastic
- Very bad

QUESTION 5: What is your occupation?

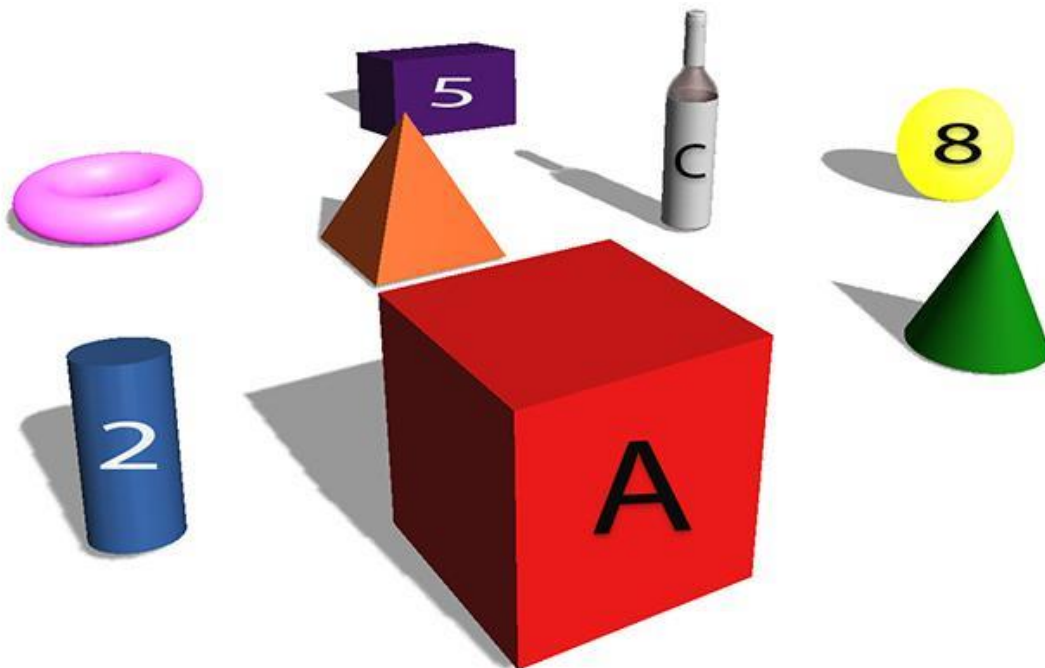
STUDY 2

INSTRUCTIONS.

In the following survey you will see three images. For each image you will have 10 seconds to look at it, afterwards you will have to answer a few simple questions. Please do not go back to the images in order to answer the questions. The survey will take only a few minutes and it's completely anonymous. Thank you in advance for your collaboration.

FIRST IMAGE

Please look at the following image for 10 seconds.



QUESTION 1: Shortly describe all the elements that you remember.

QUESTION 2: Which number was represented on the purple shape in the background?

- A: _____
- B: I don't remember.

QUESTION 3: What was the color of the cylinder with the number 2 in the foreground?

- A: _____
- B: I don't remember.

QUESTION 4: On which shape was represented the number 8?

- A: _____
- B: I don't remember.

SECOND IMAGE

Please look at the following image for 10 seconds



QUESTION 1: Shortly describe what you remember of the image.

QUESTION 2: What was the child in the foreground doing?

- A: _____
- B: I don't remember.

QUESTION 3: What was the white man with a cap holding in his hand?

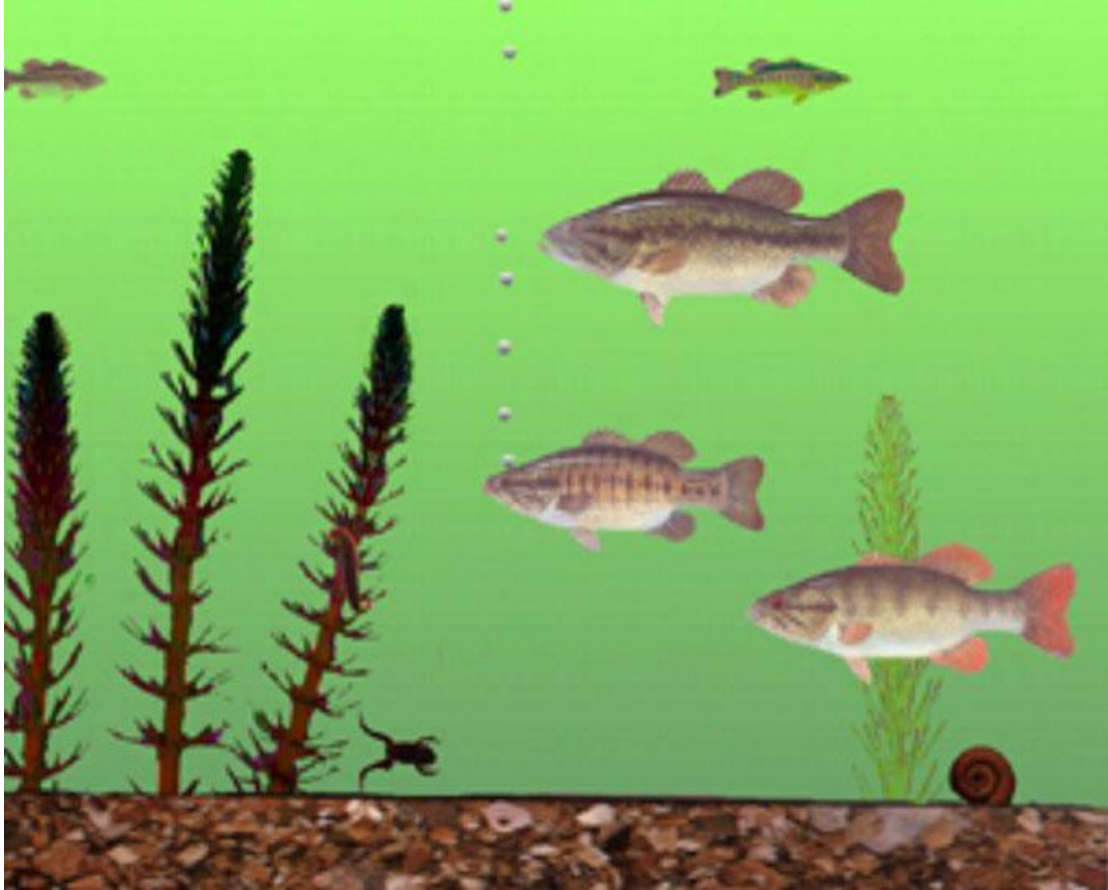
- A: _____
- B: I don't remember.

QUESTION 4: What was the color of the t-shirt of the man wearing jeans in the background?

- A: _____
- B: I don't remember.

THIRD IMAGE

Please look at the following image for 10 seconds.



QUESTION 1: Shortly describe what you remember of the image.

QUESTION 2: Was the following animal present in the main image?



- Yes
- No

QUESTION 3: Was the following animal present in the main image?



- Yes
- No

QUESTION 4: Was the following plant present in the main image?



- Yes
- No

QUESTION 5: Was the following animal present in the main image?



- Yes
- No

QUESTION 6: Was the following animal present in the main image?



- Yes
- No

PERSONAL QUESTIONS

QUESTION 1: Age (in figures)

QUESTION 2: Gender

- Male
- Female

QUESTION 3: What country do you live in?

QUESTION 4: Have you ever been abroad for more than 6 months? If yes, where?

- Yes: _____
- No

QUESTION 4: What is your level of English?

- Fluent
- Very good
- Good
- Discreet
- Scholastic
- Very bad

QUESTION 5: What is your occupation?