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MAPPING CULTURAL VALUES FOR GLOBAL MARKETING AND ADVERTISING

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In the globalization debate the argument is that countries will converge with respect to cultural values. This paper demonstrates that the more countries converge with respect to income, the more they diverge with respect to the manifestation of their cultural values. In the future, income differences will not explain differences in consumer behaviour between markets in the global market place. Tools are needed to map cultural values to differentiate marketing strategies. This paper presents the application of Hofstede's 5-D model to marketing and advertising and describes how needs, motives, product usage, attitudes and communication behaviour can be analysed and clustered with respect to cultural similarities and differences.

Culture's Consequence for Global Marketing and Advertising

Globalization and modernization have led international companies to think that marketing, branding and advertising strategies should be standardized. The argument is that with the globalization of markets, information and communication, people's wants, needs and motives will become so similar that it will justify targeting uniform brands and advertising campaigns to consumers across cultures. Converging incomes across borders are expected to lead to similar consumption patterns and the global flows of information and communication are expected to lead to similar value patterns. However, standardized global advertising campaigns rarely work as well as advertising reflecting local values because of differences in value patterns across borders, which appear not to be converging.

My hypothesis is that converging income levels will not result in converging value patterns across borders and that patterns of national culture will be a better explanation of differences in consumer behaviour across borders than income.

This paper presents evidence that consumer behaviour varies with cultural patterns and that this variance is stable over time and will become increasingly manifest. Consumption behaviour, decision making, media behaviour and advertising behaviour are culture-bound and are expected to remain culture-bound as values of national culture are stable. Others (Hofstede, 1991; Inglehart, 1990) have demonstrated the stability of values of national culture.

Apart from testing the hypothesis, this paper demonstrates how Hofstede's 5-D model of culture can be applied to international marketing strategy. If culture is the dominant influence on consumer behaviour, global companies need tools to analyse cultural patterns to avoid the pitfalls of extending a strategy of one market to others where it does not fit. They need a tool to map values of national culture in order to differentiate strategies according to well defined culture clusters.

My plan of study has the following steps:

- Linking Hofstede's data on values of national culture (Hofstede, 1984 and 1991) to data on consumption and attitudes across countries from a number of large surveys: OECD data and data from sixteen European countries in four large surveys conducted between 1970 and 1997: Reader's Digest 'A Survey of Europe Today' (1970)', Reader's Digest Eurodata (1991), European Media and Marketing Survey (EMS, Inter/View International) (1995) and Consumer Europe 1997 of Euromonitor. Income data are World Bank Purchasing Power Parity data.

- Calculating rank order correlations, expressed in Spearman's rank correlation coefficient, which reduces the potential influence of single extreme scores. Significance levels are indicated as follows: *p< 0.05, **p< 0.01, ***p< 0.005.
- Applying the findings to:
  - consumption patterns over time to demonstrate that for segmenting global markets, cultural values are better criteria than income;
  - product usage and buying motives for two product domains: clothing and the home;
  - the underlying philosophy for differentiation and positioning strategies, the psychological concept of self;
  - media behaviour.
- Providing maps combining product usage, buying motives and national values for three product domains: deodorants, cosmetics and hair care, cars and insurance.

Hofstede's Dimensions of National Culture

Hofstede (1984, 1991) has distinguished five dimensions of national culture: power distance (PDI), individualism/ collectivism (IDV), masculinity/ femininity (Mas/Fem), uncertainty avoidance (UAI) and long-term orientation (LTO). For those who are unfamiliar with the model, a short description follows.

Power distance is the extent to which less powerful members of a society accept that power is distributed unequally. In large power distance cultures, everybody has his/her rightful place in society. There is respect for old age and status is important to show power. In small power distance cultures people try to look younger and powerful people try to look less powerful.

In *individualistic* cultures people look after themselves and their immediate family only; in collectivistic cultures people belong to in-groups who look after them in exchange for loyalty. In individualistic cultures, values are in the person, in collectivistic cultures, identity is based in the social network to which one belongs. In individualistic cultures there is more explicit, verbal communication, in collectivistic cultures communication is more implicit.

In *masculine* cultures the dominant values are achievement and success. The dominant values in *feminine* cultures are caring for others and quality of life. In masculine societies performance and achievement are important. Status is important to show success. Feminine societies have a people orientation, small is beautiful and status is not so important. In masculine cultures there is large

role differentiation between males and females, in feminine cultures there is small role differentiation.

Uncertainty avoidance is the extent to which people feel threatened by uncertainty and ambiguity and try to avoid these situations. In cultures of strong uncertainty avoidance, there is a need for rules and formality to structure life. Competence is a strong value resulting in belief in experts as opposed to weak uncertainty avoidance cultures with belief in the generalist. People in strong uncertainty avoidance cultures have a higher level of anxiety and showing emotions is accepted.

Long-term orientation is the extent to which a society exhibits a pragmatic future-oriented perspective rather than a conventional historic or short term point of view. The values of the long-term orientation dimension are similar to the Confucian values of east Asia and include acceptance of change, perseverance, thrift and pursuit of peace of mind. The opposite is the short-term orientation of the Anglo-Saxon world.

The dimensions are measured on a scale from 0 to 100 (index), although some countries may have a score below zero or above hundred, because they were measured after the original scale was defined. Original data were based on an extensive IBM database for which between 1967 and 1973, 116,000 questionnaires were used in seventy-two countries and in twenty languages. Later, in twenty-three countries an additional Chinese Value Survey was conducted by Michael Harris Bond.

The results were validated against about forty cross-cultural studies from a variety of disciplines. Hofstede gives scores for fifty-six countries, others have extended this to eighty-five countries. The combined scores for each country explain variations in behaviour of people and organizations. The scores indicate the relative differences between cultures.

Cultural Values instead of Economic Criteria to Segment Global Markets

Four examples demonstrate that, despite economic development and modernization, differences in consumer behaviour in the global market place remain culture-bound and are more driven by culture than by income.

Consumption of Mineral Water

Peoples' concern for health can be recognised in consumption patterns which vary by culture. People of weak uncertainty avoidance cultures, for example, have a more active approach to health and exercise relatively more than people of strong uncertainty avoidance cultures. In Eurodata '91 the percent of respondents who neither sport nor exercise correlates significantly with

uncertainty avoidance (UAI) (.80***). People of strong uncertainty avoidance cultures have a more passive approach to health and relate it to what they eat and drink. One manifestation is consumption of mineral water. Between 1970 and 1997, in the same fifteen countries, consumption of mineral water appears to correlate significantly with uncertainty avoidance (UAI). The Reader's Digest 1970 Survey reports differences in the consumption of mineral water for fifteen countries (Greece was not included in 1970). Drinking mineral water ('one of the drinks taken in the past year') in 1970 correlates with uncertainty avoidance (UAI) (.44*). There is a similar correlation between the Eurodata '91 answers ('frequent drinking of bottled mineral water') and uncertainty avoidance (UAI) (.46*). EMS 95 reports regular consumption of mineral water, which also correlates with uncertainty avoidance (UAI) (.45*). Euromonitor 1997 reports sales volume of mineral water for 1996, which correlates even stronger with uncertainty avoidance (UAI) (.70***). All correlations are for the same fifteen countries.

Main Food Shoppers

Eurodata '91 splits main food shoppers by males and females. According to the degree of masculinity of cultures, differences in role differentiation are expected to explain differences in food shopping. In masculine cultures, more females and in feminine cultures, fewer females will do the daily food shopping as in feminine cultures males will be more involved in the daily household chores than in masculine cultures. For sixteen countries in Europe (Eurodata '91) there is a significant correlation between percent 'main food shoppers are women' and MAS (.63***). When the more traditional countries Spain, Portugal and Greece are excluded from the calculation, significance becomes even stronger (.91***). Thus, along with modernization and economic development, latent cultural differences become manifest.

Ownership of Personal Stereos

In the beginning of their life-cycle, sales of specialty goods like consumer electronics will be influenced by income. When they become commodities, cultural differences appear to be prevailing. Using a product like a personal stereo is a very individualistic habit. Even without looking at the statistics, one can see the difference, for example between young people in the Netherlands and Spain. While at Dutch universities plenty of youngsters can be seen carrying a personal stereo, this is not so in Spain. In 1990, ownership of personal stereos, as measured by Eurodata '91, correlated both with individualism (.48*) and income (.58*). Euromonitor 1997 sales data of personal stereos (volume per capita) in 1996 show a similar correlation with individualism/collectivism (IDV) (.49*) but no significant correlation with income (.19).

Home Computers and Internet

The division between private and public life varies according to the degree of individualism and this influences the use of home computers. While in individualistic cultures people may want to take work to the home, this is not the usual behaviour in collectivistic cultures. Usage and ownership of home computers and related activities is related to individualism/collectivism (IDV). While 1990 ownership of personal computers (Eurodata 91) correlates both with individualism/collectivism (IDV) (.69***) and with income (.63***), 1995 data (World Economic Forum) of numbers of computers per 100 people for twelve developed countries (United States, Australia, Canada, United Kingdom, the Netherlands, Singapore, Germany, France, Hong Kong, Japan, Taiwan and South Korea) show a significant correlation with individualism/collectivism (IDV) (.90***), but not with income (.27).

Data on related product areas confirm the correlation between computer usage and individualism/collectivism (IDV). 1994 data for fourteen developed countries (United States, United Kingdom, Austria, Belgium, Denmark, Japan, France, Germany, Canada, the Netherlands, Australia, Spain, Sweden and Switzerland) on Computer and Telecom spending (Morgan Stanley) as a percent of GDP also show a significant correlation with individualism/collectivism (IDV) (.69***) but not with income (.21).

Usage of the Internet appears to be culture-bound too. There is a significant correlation between the number of Internet host computers per 1,000 population of twenty-one countries in 1996 (Network Wizards) and individualism/collectivism (IDV) (.47*). There is no significant correlation between income and number of Internet host computers (.14).

Product Usage and Buying Motives

Consumption decisions can be driven by functional or social needs. Clothes may satisfy a functional need, branded clothing or fashion satisfies a social need. Dressing fashionably can be done to satisfy a number of different needs: the need for status, the need to differentiate oneself from others or to be in harmony with the group and the need to be well groomed. The need for status is to express either one's success or one's position in society and is thus related to masculinity and/or to power distance. Correlations with usage of other products demonstrate the two relationships. EMS includes questions about the number and value of watches people own or intend to buy. Members of feminine cultures tend to buy lower priced watches than members of masculine cultures, according to the answers to a question about the approximate value of the main watch owned. The answers 'under £ 100' correlate negatively with MAS (-.51*). Wearing expensive watches, however,

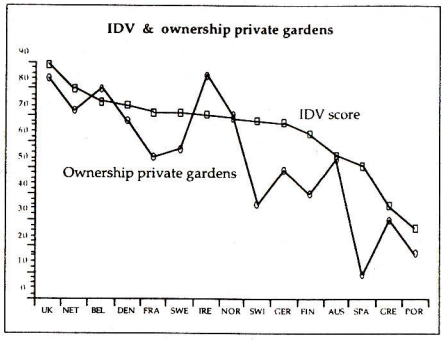
appears to appeal to the other status need. The answer 'over £ 1,000' to the question about the amount respondents are willing to spend on their watch correlates positively with power distance (PDI) (.62**). Another significant correlation is between Euromonitor 1997 data on sales (value per capita) of real jewellery and MAS (.66***). There is no significant correlation between income and sales of real jewellery (.23). If fashion is perceived as 'foreign', the need for status can be derived from its foreign-ness. In feminine cultures people are less attracted to foreign goods than in masculine cultures. The answers 'strongly disagree' to the statement 'foreign goods are more attractive than our own' (EMS) correlate negatively with MAS (-.52*). Dressing fashionably can also be part of the need to be well groomed. Members of small power distance and weak uncertainty avoidance cultures are generally not so well groomed as members of large power distance and strong uncertainty avoidance cultures. Particularly in cultures of this configuration, people are well groomed. It is one way of expressing status (their rightful place in society) and facing a threatening world. Observant travellers in Europe may have noticed the difference between the careful way of dressing by the Belgians, French and Italians (high on power distance/uncertainty avoidance (PDI/UAI) as opposed to the carefree (sometimes sloppy) way of dressing by the Dutch, Danes and British (low on power distance/uncertainty avoidance (PDI/UAI).

Another example is how people relate to their homes. Values relating to the home vary considerably by culture. A house may serve a functional need, a home serves a social need. Culture influences the type of house people live in and activities in and around the home. In individualistic cultures people prefer one-family houses with private gardens, however small. Members of collectivistic cultures prefer to live in apartment buildings and own relatively few private gardens. In collectivistic cultures much of social life takes place outside the home, in public places. Both the Reader's Digest 70 and Eurodata 91 surveys include data on 'possession of private garden' which correlate with individualism/collectivism (IDV) (1970:.73***; 1991:.83***). The 1991 correlation is illustrated in figure 1 (see next page).

At face value possession of a private garden may be viewed as a luxury and thus may be expected to correlate with income. This is not so, there is no correlation between possession of private gardens and income (1970:.02; 1991:.06). Living in a one-family house is another item which could be expected to correlate with income. Yet, there is no significant correlation between income and 'living in a whole house' in Eurodata 1991 (-.29). In line with possession of private garden, the percent 'accommodation comprising whole house' correlates positively with individualism/collectivism (IDV) (.62**) while the percent 'accommodation of apartment/flat', correlates

negatively with individualism/collectivism (IDV) (-.61**). While economic development in individualistic cultures leads to building more one-family houses, in collectivistic cultures it leads to building more luxury apartment buildings.

Figure 1
CORRELATION BETWEEN OWNERSHIP OF PRIVATE GARDENS AND INDIVIDUALISM/COLLECTIVISM (IDV)



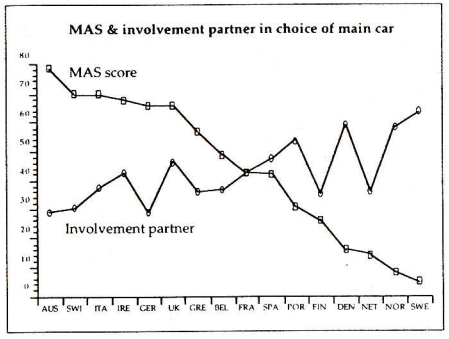
Source: Data reproduced from Reader's Digest Eurodata - a Consumer Survey of seventeen European Countries sponsored by The Reader's Digest Association, Inc.

DECISION MAKING AND BUYING BEHAVIOUR

Buying decisions are rarely purely individual decisions. There are a number of influences. The role of the group, its reference function and the individual's place and role in the group vary by culture. The degree of uncertainty avoidance will play a role in the type of reference group which is most influential: professional or formal rather than informal. In collectivistic cultures where group conformance is strong, if a person takes a decision, that decision will be made in consensus with the group so it is not an individual decision. Consensus seeking will also play a role in feminine cultures as does the small role differentiation between males and females. In feminine cultures, the partner plays a strong role in decision making. This is demonstrated by the negative correlation (-.63***) between masculinity and involvement of the partner in the choice of make and model of the main car in the household (EMS 95) as illustrated in figure 2. This chart shows how countries which are geographically close, show very different behaviour, which can have important consequences for advertising. Denmark and Germany, although sharing a geographical border, are far apart in this chart. So are Belgium and the Netherlands. The Dutch can be characterised by small role differentiation,

although in this particular chart the Dutch show a dip. This is because in the EMS 95 survey, particularly the Dutch have a high percentage of company cars, for which the company will be a more important partner in decision making.

Figure 2
CORRELATION BETWEEN INVOLVEMENT PARTNER IN CHOICE OF MAKE AND MODEL OF MAIN CAR AND MAS



Source: Data EMS 1995, Copyright Inter/View

An example of how strongly this difference can affect advertising is a 1996 television commercial for the Renault Mégane (automobile). It depicts a man who wants to surprise his wife with the new Renault Mégane, who at the same time demonstrates the short brake path. He stops in front of what he thinks is his house, shouting "Darling, I have bought the Renault Mégane" and it appears he has entered his - similar - neighbour's house because he was not used to the short brake path. The text of this Belgian commercial was changed radically for the Netherlands, although half of Belgium and the Netherlands share the same Dutch language. While in Belgium, apparently, the husband can buy a car without consulting his wife, this is not done in the Netherlands.

THE CONCEPTS OF SELF, PERSONALITY AND IDENTITY

A core element of western marketing is the focus on product/brand attributes, benefits and values which are to distinguish the user's self from others. The underlying philosophies are based on psychological theories with respect to the self. People will buy products that are compatible with their self-concept, or rather that enhance their 'ideal-self' image. Often mentioned drives related to the ideal-self are self-esteem, self-actualization and the need for achievement. Implicit in the concept of personality is the individualistic notion

that people should distinguish themselves from others as opposed to conformance to the group in collectivistic cultures.

The self concept, as used in consumer psychology, is based on a psychoanalytic theory of the self and personality which was mainly developed in the United States. According to the mental health model prevalent in the United States, a young person has to develop an identity which enables him/her to function independently in a variety of social settings, apart from the family. Failing to do so can cause an identity crisis. The mental health models of collectivistic cultures are different. Indian and Japanese models, for example, stress encouragement of dependency needs in the earlier phases of childhood and negotiated adaptation to the complex familial hierarchical relationships (Roland 1988, p. 314). The mental health model of masculine cultures is based on the need for success. Success must be shown, the successful must 'shine'. This is opposed to the mental health model of feminine cultures where people must be liked. In this case, 'modesty' is an essential virtue and those who shine too much are disliked.

Contrary to what is suggested in much of the consumer psychology literature used to understand consumer behaviour and marketing models, there is no single concept of 'self' applicable across all cultures. All of Hofstede's dimensions potentially play a role in the concept of self, but the most important are individualism and masculinity. Differentiating oneself from others is a basic aspect of individualistic culture. Masculinity adds to that in the sense that people want to distinguish themselves. EMS asks about agreement to the statement "I like to stand out in a crowd". The percent answers 'strongly agree' correlates with MAS (.49*) and uncertainty avoidance (UAI) (.51*), with the multiple correlation coefficient R =.63***. Wishing to stand out in a crowd is not something for members of feminine cultures, to whom modesty is a core value. It is a typical value of masculine cultures, and in the combination with strong uncertainty avoidance it leads to overt display of oneself as a successful person.

Because of the different concepts of self, one has to be careful with extending concepts relating to the United States' centric self to other cultures, particularly collectivistic ones. Examples are personal drives such as self-esteem, self-confirmation, self-consistency, self-actualization, recognition, exhibition, dominance, independence and the need for achievement. Culture's consequence is that the concepts of *brand personality* and *brand identity* are metaphors which are less understandable and thus less useful to collectivistic cultures than to individualistic cultures. Words for the concepts *identity* and *personality* do not even exist in the Chinese and Japanese language.

Understanding this can be helpful in developing global brand strategies. Relationships between consumers and brands and the function of brands vary

across cultures depending on the type of self concept. Because of the influence of the group, brand loyalty is stronger in collectivistic societies. In cultures where trust in the company and long term relationships between consumers and companies are more important than strong product/brand personalities, focus on the company brand will be a more effective strategy than developing product brands. Indeed, most successful Asian brands are company brands, while American brands rarely carry the name of the company. Corporate branding and endorsement strategies will be more effective in Asian markets than a product-brand approach of strongly positioned brand personalities. The least to add to product brands in Asian advertising is the company's name, as I have seen done by Procter & Gamble in China, and by Nippon Lever in Japan. On the other hand, now that Asian products are increasingly entering western markets, Asian companies may do even better in western markets by developing more differentiated product brands.

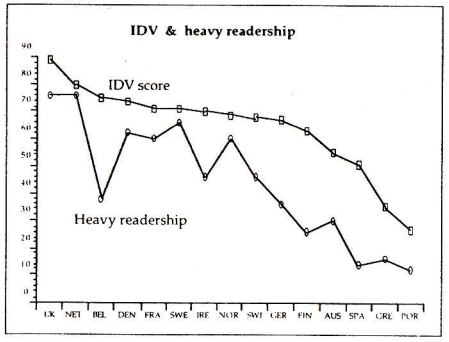
Media Behaviour

Media behaviour is related to communication styles of cultures. Individualistic cultures, for example, are more verbally oriented, collectivistic cultures are more visually oriented. The verbal orientation of individualistic cultures is demonstrated by the correlation between EMS data on the use of 'Teletext services used personally' and individualism/collectivism (IDV) (.51*). The low percent of France, due to the existence of Minitel, influences the level of significance. Excluding France, the correlation is .67***. More verbally oriented cultures tend to read more. Reader's Digest Eurodata 91 asks questions about book readership. The percent answers 'twelve or more books read in the past year' strongly correlates with individualism/collectivism (IDV) (.90***) as illustrated in figure 3 (see next page).

This is consistent with Reader's Digest data of 1970, measuring readership of more than eight books. In 1970, heavy readership also correlated significantly with individualism/collectivism (IDV) (.81***).

In individualistic cultures there is a larger number of national and regional daily newspapers. There is a very significant correlation between the existence of daily newspapers and individualism/collectivism (IDV) worldwide, as measured for thirty-five countries (.75***) (Benn's Media Directory 1992). With respect to the press also the relationship between power distance and the number of different titles people read is revealing.

Figure 3
CORRELATION BETWEEN READING MORE THAN TWELVE BOOKS IN THE PAST YEAR AND INDIVIDUALISM/COLLECTIVISM (IDV)



Source: Data reproduced from Reader's Digest Eurodata - a consumer survey of seventeen European Countries sponsored by The Reader's Digest Association, Inc.

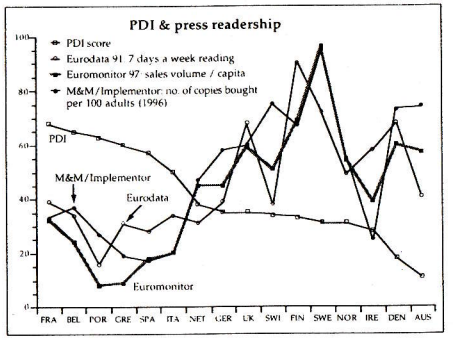
Data from three different sources show a negative correlation between power distance and readership of newspapers. The correlations between the various measurements of readership of newspapers and power distance are the following:

- Eurodata 91 measurement of 'read any yesterday': -.66*** and of 'seven days a week reading': -.69***
- Data on press consumption as published in the European Planning Guide 1996/97 of M&M Europe: number of copies per 100 adults: -.64***.
- Euromonitor 1997 sales data on number of daily newspapers (volume per capita): -.75***

In figure 4 the three correlations are illustrated.

Members of small power distance cultures are heavy readers of newspapers but they do not have as much confidence in the press as members of large power distance cultures. There is a positive correlation between Eurodata 91 answers 'a great deal, quite a lot of confidence in the press' and power distance (PDI) (.55*). In large power distance cultures people view the press as an authority. In small power distance cultures people have less confidence in the press which results in the need to consult more different sources. The small power distance cultures are also democracies with more citizen involvement in government. This involvement implies that people have to be informed. And, as they don't have confidence in their sources they have to consult a number of different ones.

Figure 4
CORRELATIONS BETWEEN PRESS CONSUMPTION AND POWER DISTANCE (PDI)



Sources: (1) Data reproduced from Reader's Digest Eurodata - a consumer survey of seventeen European countries sponsored by The Reader's Digest Association, Inc.; (2) Consumer Europe 1997, Euromonitor; (3) European Planning Guide 1996/97, Media and Marketing Europe

MAPPING PRODUCT USAGE AND BUYING MOTIVES ACCORDING TO NATIONAL VALUES

The practical application of Hofstede's model to international marketing and advertising is the possibility to map cultures according to needs, motives, product usage, media usage and the like. The next section presents examples for three different product categories: cosmetics and personal care products, automobiles and insurance.

Cosmetics and Personal Care Products

Cosmetics primarily satisfy two needs: the need to differentiate oneself from others and the need to look young. However, basically the use of cosmetics and body products goes against nature or is a potential harm to the skin. Thus, most of these products are less easily adopted by members of strong Uncertainty Avoidance cultures who are concerned with purity. This concern with purity can also be found in usage and attitudes toward other products, such as consumption of mineral water as demonstrated before in this paper.

Both the Reader's Digest Survey of 1970 and Eurodata 91 ask questions about usage of a variety of cosmetics and personal care products. In both surveys the percent of 'all women using these days' body care products including deodorants, various lip products such as lipstick or lip gloss and hair care

products such as hair conditioner, gel or mousse, to various degrees correlate with power distance (PDI), individualism/collectivism (IDV), uncertainty avoidance (UAI). Correlations with sales data on the same products in Consumer Europe 1997 of Euromonitor deviate only with respect to the correlation between usage of lip products and individualism/collectivism (IDV) because data for the Netherlands and Belgium are relatively low and seem to be biased. If these are not included in the calculation, the correlation for thirteen countries is significant (.63**).

Table 1 presents correlations for the three product categories: deodorants, lip products (lipstick, lip gloss) and hair conditioner, gel and mousse.

Table 1
COSMETICS AND PERSONAL CARE PRODUCT CORRELATIONS WITH POWER DISTANCE (PDI), INDIVIDUALISM/COLLECTIVISM (IDV) AND UNCERTAINTY AVOIDANCE (UAI)

	Power Distance (PDI)			*Individualism/ Collectivism (IDV)*			*Uncertainty Avoidance (UAI)*		
	RD 70	***ED 91***	***EM 97***	***RD 70***	***ED 91***	***EM 97***	***RD 70***	***ED91***	***EM 97***
Deodorants	-.40	-.56*	-.41	.49*	.58*	.59*	-.74***	-.89***	-.77***
Lip products	-.22	-.64***	-.44*	.82***	.58*	.33 (.63**)	-.70***	-.90***	-.49*
Hair products	-.50*	-.47*	-.55*	.22	.12	.37	-.51*	-.52*	-.72***

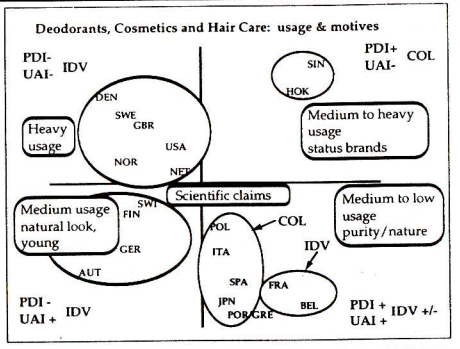
Sources: Data reproduced from Reader's Digest 'A Survey of Europe Today' (1970) and Eurodata 1991 - a consumer survey of seventeen European countries sponsored by The Reader's Digest Association, Inc. and Consumer Europe, Euromonitor, 1997

What does this mean? An important need satisfied by deodorants is the need for privacy. In individualistic cultures people don't want to smell other people, while in collectivistic cultures they do not mind so much. But deodorants are an artificial means to control body odour. There is a negative correlation with uncertainty avoidance (UAI). Lip products satisfy the need to look young and to differentiate oneself. Hair products such as hair conditioner are mainly means to look younger. Usage of both lip and hair products correlates negatively with uncertainty avoidance (UAI). This expresses the need for purity and distrust of the artificial. It explains the frequently used scientific data and arguments used in advertising for hair care, toothpaste and personal care products in Germany and the existence of 'scientific' brands such as Laboratoire Garnier in France and 'Dr Best' in Germany. Scientific data and arguments are expected to be more effective in strong uncertainty avoidance cultures than in weak uncertainty avoidance cultures. The preoccupation with

purity related to cosmetic products has also been recognised in Japanese society, which is very high on the uncertainty avoidance index (Becker 1997).

The diagram in figure 5 depicts four culture clusters. Heavy usage of cosmetics is found in the cultures of the configuration small power distance (PDI)/weak uncertainty avoidance (UAI). This also is a cluster of individualism/collectivism (IDV) cultures. Medium to heavy usage will be in the culture cluster large power distance (PDI)/weak uncertainty avoidance (UAI). Cultures in this cluster are also collectivistic. Status brands will be important in this cluster and brand loyalty will be strong. Medium usage is found in the culture cluster of the configuration small power distance (PDI)/strong uncertainty avoidance (UAI). This cluster includes medium individualistic cultures. Small power distance means people will use cosmetics to look young, whereas strong uncertainty avoidance limits acceptance of some types of cosmetics. Products or brands focusing on the natural and purity, preferably scientifically controlled will sell best in this cluster of cultures. In the culture cluster of the configuration large power distance (PDI)/strong uncertainty avoidance (UAI), sales will have to be stimulated more than in the other clusters and both the scientific approach and status brands are expected to sell best. This cluster includes individualistic and collectivistic cultures, so the approach will have to be differentiated for the two sub-clusters. Figure 5 presents a map for deodorants, cosmetics and hair care products on three dimensions for twenty countries.

Figure 5
DIAGRAM DEODORANTS, COSMETICS AND HAIR CARE

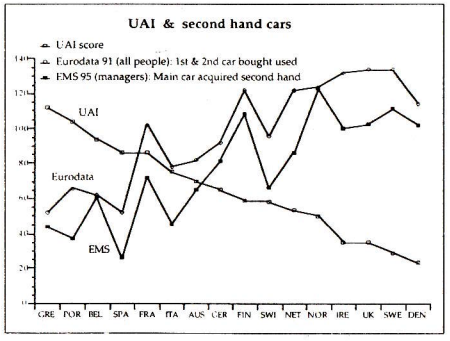


AUT = Austria, BEL = Belgium, DEN = Denmark, FIN = Finland, FRA = France, GBR = Great Britain, GER = Germany, GRE = Greece, HOK = Hong Kong, ITA = Italy, JPN = Japan, NET = Netherlands, NOR = Norway, POL = Poland, POR = Portugal, SIN = Singapore, SPA = Spain, SWE = Sweden, SWI = Switzerland, USA = United States.

Cars

Income is generally assumed to be the main influence on the choice between a new or a second hand car. The choice also appears to be influenced by culture. The respondents to EMS 95 report culture-bound behaviour with respect to buying second hand automobiles ('main car acquired second hand'). This influence of culture is confirmed by Eurodata 91 answers ('first and second car bought used'). There is a strong correlation between buying new cars and strong uncertainty avoidance, demonstrated by a negative correlation between uncertainty avoidance (UAI) and buying second hand cars in both Reader's Digest and Eurodata 91 (-.83***) and in EMS 95 (-.84***). The respondents of Eurodata 91 reflect the whole population while the respondents of EMS 95 reflect business people with higher income levels. Culture overrides income as a decision influence: particularly for this high level target group, income is not the decisive factor. Figure 6 illustrates the correlations between buying second hand cars and uncertainty avoidance (UAI).

Figure 6
CORRELATIONS BETWEEN BUYING SECOND HAND CARS AND UNCERTAINTY AVOIDANCE (UAI)

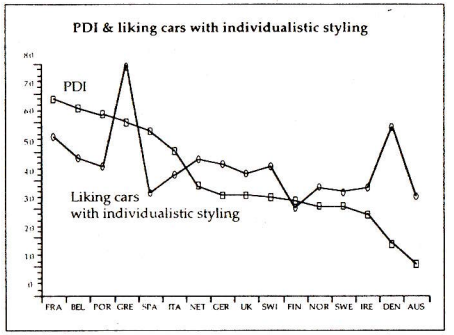


Source: Data reproduced from Reader's Digest Eurodata - a consumer survey of seventeen European countries sponsored by The Reader's Digest Association, Inc. and EMS 1995, Copyright Inter/View.

Other factors found to be culture-bound are the body type of a car, the design and interest in the engine of the car. In EMS 95 the percent answers 'strongly agree' to 'I like cars with individualistic styling' correlates with power distance (PDI) (.47*), as illustrated in figure 7. From content analysis of car advertising I also found that in large power distance culture design and style of a car were more frequently used as an argument than in others. Obviously

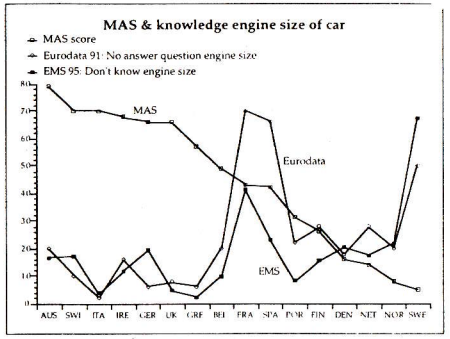
the design of a car is a powerful motive for these cultures, reflecting the need for status (De Mooij 1997).

Figure 7
CORRELATION OF PREFERENCE FOR INDIVIDUALISTIC STYLING OF CAR AND POWER DISTANCE (PDI)



Source: Data EMS 1995, Copyright: Inter/View

Figure 8
CORRELATION OF KNOWLEDGE OF ENGINE SIZE OF CAR AND MAS



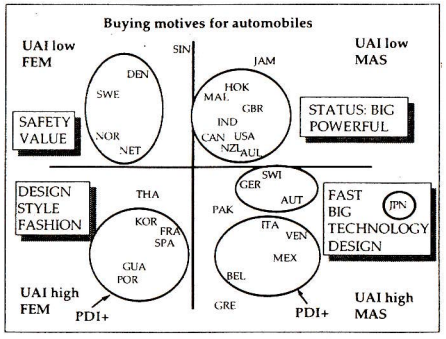
Sources: Data reproduced from Reader's Digest Eurodata - a consumer survey of seventeen European Countries sponsored by The Reader's Digest Association, Inc. and: EMS 1995, Copyright: Inter/View

The engine size of a car is not an equally important motive to members of all cultures. In feminine cultures people are less interested in the engine size than in masculine cultures, as found in the two surveys. Members of feminine cultures more often do not know the engine size of their car. The percent 'no

answer' in questions about the engine size of peoples' cars in Eurodata 91 correlates negatively with MAS (-.60***). Also in EMS, with higher income respondents and a larger percentage of males, the percent answers 'don't know' to the question about the engine size of their main car correlate negatively with MAS (-.52*). The correlations are illustrated in figure 8. The relative differences between Eurodata and EMS may be explained by the fact that a larger part of the EMS respondents is male, as the EMS target group is business people, while the Eurodata population is all people. In all cultures, males will be more interested in technology than females.

These findings confirm the existence of very different motives for buying automobiles which can be clustered by culture as in the diagram in figure 9.

Figure 9
BUYING MOTIVES FOR AUTOMOBILES



AUL = Australia, AUT = Austria, BEL = Belgium, CAN = Canada, DEN = Denmark, FRA = France, GER = Germany, GBR = Great Britain, GRE= Greece, GUA = Guatemala, HOK = Hong Kong, IND = India, ITA = Italy, JAM = Jamaica, JPN = Japan, KOR = Korea, MAL = Malaysia, MEX = Mexico, NET = Netherlands, NOR = Norway, NZL = New Zealand, PAK = Pakistan, POR = Portugal, SIN = Singapore, SPA = Spain, SWE = Sweden, SWI = Switzerland, THA = Thailand, USA = United States, VEN = Venezuela.

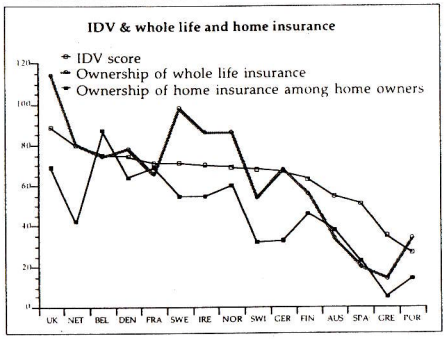
The upper left hand quadrant shows the configuration FEM/weak uncertainty avoidance (UAI). In this culture cluster people have a preference for safety to protect the family and for saving money. Saving money is a frequent claim in advertising in these cultures. There is no interest in the size of the engine or other technical aspects. The upper right hand quadrant shows a cluster of cultures of the configuration MAS/weak uncertainty avoidance (UAI). People in these cultures tend to have status needs to show success. There is preference for cars with big, powerful engines. The right hand lower quadrant shows the cluster of cultures of the configuration MAS/strong uncertainty avoidance

(UAI). People of strong uncertainty avoidance cultures are fast drivers and they prefer cars with fast acceleration. This seems paradoxical, as one would expect to see risk aversion translated into a safety motive. Not so, the explanation is that people of strong uncertainty avoidance cultures build up stress which they also want to release. Fast driving functions as an emotional safety valve. A high score on the MAS dimension adds the need to also drive aggressively. And cars must be technologically advanced, well designed and well tested. In the lower left hand quadrant, the configuration FEM/strong uncertainty avoidance (UAI), one sees the need for 'sporty' driving, fast acceleration, but not so aggressive. This is combined with a preference for design, but more in the art/fashion sphere, pleasure and enjoyment. Both lower quadrants include cultures of large power distance which reinforces the appeal of the design of a car, a status function.

Insurance Products

The need for insurance products is influenced in various ways, in general by the degree of individualism. In collectivistic cultures the extended family or other in-groups function as a safety net. Figure 10 illustrates the correlation between individualism/collectivism (IDV) and Eurodata 91 data on ownership of whole life insurance (.82***) and home insurance among home owners in Europe (.82***). No significant correlation between income and ownership of whole life and home insurance was found (.33 and.31).

Figure 10
CORRELATIONS OF WHOLE LIFE AND HOME INSURANCE AND INDIVIDUALISM/COLLECTIVISM (IDV)

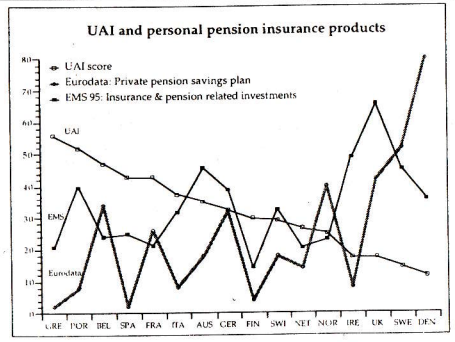


Source: Data reproduced from Reader's Digest Eurodata - a consumer survey of seventeen European countries sponsored by The Reader's Digest Association, Inc.

Data on ownership of whole life insurance in the Reader's Digest Survey of 1970 also shows a significant correlation with individualism/collectivism (IDV) (.53*) and no significant correlation with income (.38).

At face value, one would expect that individuals of strong uncertainty avoidance cultures would own more insurance products than members of weak uncertainty avoidance cultures, while it appears to be the opposite with respect to private insurance. Personal ownership of insurance and pension related investments as reported in EMS and ownership of private pension savings plans in Eurodata 91 appear to correlate negatively with uncertainty avoidance (UAI), see figure 11. This implies that individuals of strong uncertainty avoidance cultures tend to buy fewer insurance and pension related investments personally. This demonstrates that uncertainty avoidance is not the same as risk avoidance. Insurance products eliminate risk. Members of weak uncertainty avoidance cultures may make a cool calculation of risk and insure themselves, for members of strong uncertainty avoidance cultures it is a more emotional reaction.

Figure 11
CORRELATIONS OF PERSONAL PENSION INSURANCE PRODUCTS AND UNCERTAINTY AVOIDANCE (UAI)



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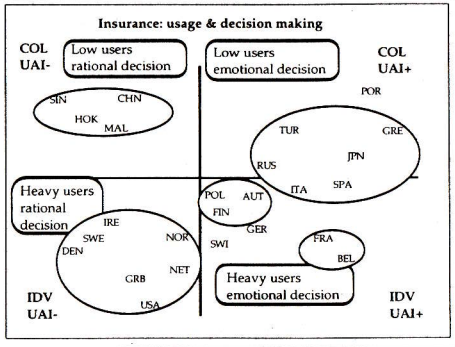
In strong uncertainty avoidance cultures people will expect the government or their company to take care of their pension plans. This is confirmed by 1995 OECD data for fifteen European countries on public pension spending as a percent of GDP which correlate positively with uncertainty avoidance (UAI) (.66***). This phenomenon is related to citizen competence, the degree to

which people tend to organise their lives themselves or wait for the authorities to organise it for them. A related correlation is between uncertainty avoidance (UAI) and the answer 'strongly agree' to the Eurodata 91 question 'welfare is the responsibility of government' (.46*).

The different needs and motives for buying insurance products can be mapped according to the configuration individualism/collectivism (IDV)/uncertainty avoidance (UAI), as in figure 12. The culture cluster of the configuration COL/weak uncertainty avoidance (UAI) will include low users, but if they will buy insurance products it will be a rational, calculated decision. The culture cluster of the configuration COL/strong uncertainty avoidance (UAI) will include low users who will have to be persuaded in an emotional manner. The configuration individualism/collectivism (IDV)/strong uncertainty avoidance (UAI) will include a need for insurance products, but decision making will be an emotional matter. The cluster of cultures of the configuration individualism/collectivism (IDV)/weak uncertainty avoidance (UAI) will include heavy users who also make rational, calculated decisions. Television commercials by Norwich Union in France show the rich French family life characterised by 'savoir vivre' and the claim that that should not be lost at retirement age. The approach in the United Kingdom is different. The United Kingdom is part of the cluster individualism/ collectivism (IDV)/weak uncertainty avoidance (UAI) where buying, for example, life insurance is a matter of calculated risk, not an emotional decision.

Figure 12
INSURANCE USAGE AND BUYING MOTIVES



AUT = Austria, BEL = Belgium, CHN = China, DEN = Denmark, FIN = Finland, FRA = France, GBR = Great Britain, GER = Germany, GRE = Greece, HOK = Hong Kong, IRE = Ireland, ITA = Italy, JPN = Japan, MAL = Malaysia, NET = Netherlands, NOR = Norway, POL = Poland, POR = Portugal, RUS = Russia, SIN = Singapore, SPA = Spain, SWE = Sweden, SWI = Switzerland, TUR = Turkey, USA = United States.

CONCLUSION

My research has demonstrated that values of national culture are important influences on consumer behaviour and that they are expected to remain of importance. Along with globalization and modernization, countries may be converging with respect to income levels but they are not converging with respect to values of national culture. A large number of significant correlations between Hofstede's dimensions of national culture and patterns of consumer behaviour demonstrate the influence of culture on consumer behaviour. Consistency over time with respect to the relationship between Hofstede's dimensions and specific product domains demonstrates that the influence of national culture is stable.

The application of Hofstede's model to international marketing and advertising is a powerful tool to compare cultures with respect to product usage, needs, motives and subsequently to adapt marketing activities and advertising approaches to the similarities and differences found.

NOTES

1. Reader's Digest Eurodata 91 includes data on Luxemburg, while there are no separate cultural scores for Luxemburg. As a result, Luxemburg is not included in the correlation calculations and all data are for sixteen countries.
2. In all correlations with individualism Italy is not included. There is contradictory information about the level of individualism or collectivism in Italy, probably due to the fact that Italy is bi-cultural: the North is individualistic but the rest of the country collectivistic. Hofstede's IBM data were mainly collected in the North, and he found strong individualism. Consumption and media behaviour data are based on a country average; where these relate to individualism or collectivism, Italy's data tend to be similar to those of Spain, that is much more collectivistic than Hofstede's data suggest.
3. Since 1997 the Values Survey Module 1994 (VSM 94) published by IRIC (the Institute for Research on Intercultural Cooperation founded by Geert Hofstede) is included in the EMS questionnaire. This will provide an update of Hofstede's original scores and also allow for comparing subgroups of national culture.

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