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CROSS-CULTURAL MARKETING RESEARCH AS A TOOL IN STUDYING CONSUMER PSYCHOLOGY ACROSS BORDERS⁴²

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Abstract: *Cross-cultural marketing research is a relatively new direction of cross-cultural research. Marketers introduce cross-cultural research methods in studying consumer psychology. The paper introduces cross-cultural marketing as a concept and presents an overview of the most popular cross-cultural research methods in marketing. Multiculturality in marketing is defined by catering to culturally diverse groups of consumers, based on national culture characteristics. The text presents the newest contributions to value orientations theories and how they are related to cross-cultural marketing research. The work focuses on research approaches applicable to multicultural environments of consumers, located in different countries.*

Keywords: *cross-cultural marketing, cross-cultural research, consumer psychology, cultural diversity*

JEL Codes: *M31, M39*

INTRODUCTION

Reaching out to consumers remains the pinnacle of marketing strategies. Both digital and "analogue" solutions focus on accessing consumers' perceptions and driving behaviour to purchase or experience the product. Cultural affiliations determine consumer's perceptions of products, services and brands (Goodrich & De Mooij, 2014). Cross-cultural psychology research on the other hand uses tools which are applicable to consumer psychology research. Current developments in cross-cultural studies and marketing research combine methods to study consumers in social media as well. The paper presents cross-cultural marketing as a scientific field, its relation to culture, and how cross-cultural research methods are used in investigating international consumers' preferences of products, brands and services.

EXPOSITION

1. Cross-cultural research methods

Basic principle of cross-cultural research includes two aspects: context-specificity and cultural universality. Context-specificity represents the local, contextual characteristics of a national culture. Cultural universals are patterns of behaviour, collective mental models, human institutions and artefacts which are common in all human cultures. *Cross-cultural research compares cultural universals according to their context-specificity, using qualitative and quantitative methods.*

The heart of cross-cultural research philosophy is the surprise of discovering the how and why our culture is different from another (Poortinga & Fontaine, 2022). The empirical cycle of the cross-cultural method, a tradition developed first in cross-cultural psychology, includes *observation, induction/deduction, testing and evaluation* (Poortinga & Fontaine, 2022). The main unit of analysis in the empirical cycle of cross-cultural research is *national culture* (Minkov & Hofstede, 2012; Engelen, A. & M. Brettel, 2011). National cultures represent clusters of cultural values that gravitate close to the most typical cultural values of given nation. Akaliyski et. al. (2021) speak

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about the gravitational field of national cultures, which “draws in” similar values into a national cluster. Thus national cultures show statistically significant differences, based on value differences. That’s why this is taken into account when analysing cross-cultural research in management cases, for instance.

Comparative research of national cultures includes preparation and translation of questionnaires into the official or traditional languages and adaptation to local contexts (International Test Commission, 2017). Cross-cultural questionnaires are context specific and prone to inaccuracies when retrieving responses. According to Heine (2002) such questionnaires should be simplified, Likert scales preferably avoided, because of lesser chance among respondents to misinterpret questions. Another issue with such questionnaires is the so called W.E.I.R.D. phenomenon (Henrich, Heine & Norenzayan, 2010). The abbreviation represents societies which are *Western, Educated, Industrialized, Religious and Democratic*, a phrase coined by Joseph Henrich. Depending on their context-specificity, respondents from studied cultures might not understand the questions the way they were intended by the researcher, especially if they live in countries with different religion, political, economic and education traditions than the West (Henrich, Heine & Norenzayan, 2010; International Test Commission, 2017). Therefore, cross-cultural researchers prefer to use simplified sets of question and answer options. This poses challenges for cross-cultural marketing research as well. The reason is that marketing research studies perceptions, attitudes and consumption patterns of services and products which could be strictly culture specific. Therefore, cross-cultural marketers should take caution in comparing consumer psychology if the product or service is not available in the target market.

2. Cross-cultural marketing (CCM) - connecting culture and marketing

Cross-cultural marketing, or CCM, is an interdisciplinary subfield of international marketing and cross-cultural studies, combining research matters related to cultural aspects of product, brand and service marketing (Usunier & Lee, 2013). Cross-cultural marketing is rooted in solving communication issues across cultures in some marketing areas, such as product design and perception, brand design and perception, culture specific language use and copywriting, etc.

In the light of cross-cultural studies, cross-cultural marketing research investigates attitudes and perceptions of products, services, brands, while comparing at least two cultural clusters (Malhotra et. al., 1996; Goodrich & de Mooij, 2014). Recent trends include digital and social media consumption patterns, brand following, emoji use, purchases of culture specific products or services, cultural differences in UX and UI design preferences by consumers, etc. (Copuš & Čarnogurský, 2017; Juršè et. al., 2019; Nam & Kannan, 2020). Conventional and digital marketing approaches intertwine in current marketing trends. Therefore it’s important to mention that contemporary cross-cultural research in marketing shifts from the “analogue” to the digital world. We observe that both qualitative and quantitative research methods are used, for example questionnaire surveys, focus groups, observation and language corpus content analysis, big-data analysis, and many others (Goodrich & de Mooij, 2014; Juršè et. al., 2019; Nam & Kannan, 2020; Sheth & Parvatiyar, 2020).

When building the empirical cycle of cross-cultural marketing research, the cultural aspect of brand, product or service analysis is most important. Researchers set hypotheses that test local cultural characteristics and compare at least two different cultures. The tables below represent the cross-cultural empirical cycle in marketing research.

Table 1. Cross-cultural research in marketing – deductive approach.

Observation	Deduction	Testing	Evaluation
Brand/product/service 1.0 in culture A is very popular.	Consumer in culture A prefers brand/product/service 1.0.	Do cultural traits in culture A predict consumer preference to brand/product/service 2.0?	Yes/No/More research is necessary.

First type is **deductive approach**, where researchers observe the phenomenon paying attention to cultural traits, then deduce a hypothesis about the phenomenon in local context. The next step is formulating a test-hypothesis containing a cross-cultural prediction of the phenomenon and completing the research. The last step is evaluating the results from research – confirming or rejecting the hypothesis.

Second type is **inductive approach**. It focuses on consumer preference of a brand, service or product, induces that these preferences represent cultural traits and proposes a test-hypothesis about consumer preference in the culture. Results confirm or reject the hypothesis.

Table 2. Cross-cultural research in marketing – inductive approach.

Observation	Induction	Testing	Evaluation
Consumer in culture A prefers brand/product/service 1.0.	Cultural traits of brand/product/service 1.0 are...	Which cultural traits make consumer in culture A like brand/product/service 2.0?	Yes/No/More research is necessary.

We can identify that *culture* has its importance in the marketing research, namely the elements of culture. Values, norms, attitudes, behaviours, customs, habits, artefacts, language function and perception influence how a product, service or brand are performing in a given market. According to cross-cultural studies *cultural value orientations* are suitable means for comparing and analyzing cultural preferences. Values, as a part of the invisible collective subconscious, are used as a starting point in cross-cultural analysis. Populations in national cultures show preferences to characteristics of products and brands.

On the other hand, culture influences national populations in *many other ways*, apart from mental models. Local legislation, corruption proclivity, income per capita, social policies, infrastructure and urban planning, and many other national phenomena might determine perceptions and necessity of products or services. National borders limit the influence of national policies on culture and mentality, thus making the difference between cultural traits even larger. Context-specificity of universal cultural problems does matter when analyzing national phenomena.

3. Issues in cross-cultural marketing (CCM) research

The most important issue in CCM research is the issue of *equivalence*, the degree to which the research goal, hypotheses and results are comparable cross-culturally (Usunier & Lee 2013:189-190). Equivalent cross-cultural marketing research is capable of comparing a culture specific research object under the same criteria. Equivalence faces a few challenges caused by culture specific traits. These are (Usunier & Lee (2013:190-206) :

1. *Conceptual equivalence* – cultures may not understand the same thing the same way. Here the question is whether cultures understand objects of analysis similarly or differently. If there are no parallels in understanding, it's hard to find conceptual equivalence between objects. Finding conceptual equivalence is generally very difficult and cultural misunderstanding should be expected. An alternative to finding conceptual equivalence is testing the cultural connotation of research objects before proceeding to their cross-cultural evaluation.

2. *Functional equivalence* – the same artefacts (products) or concepts do different things when used by consumers in different cultures. Researchers should pay attention to culture specific use of popular products.

3. *Adaptation and translation of questionnaires* – this represents the culture specific meanings of words and phrases in the native language and how they can change when translated in a foreign language. Cultural connotations should be checked when translating questionnaires. Translation equivalence includes four variants – lexical equivalence (translating words with the same/similar meanings), idiomatic equivalence (translating sayings or idioms with similar meanings), grammatical–syntactical equivalence (translating grammar and syntax to the foreign language), and experiential equivalence (the everyday meanings of words and phrases).

4. *Measure equivalence* – this issue shows how research instruments’ reliability varies. Variation is measured via perceptual, metric, calibration and temporal equivalence testing. Respondents show how their knowledge and familiarity of the product might influence their perceptions, behaviours, choices.

Table 3. Examples of measure equivalence.

Perceptual	Metric	Calibration	Temporal
Symbolism of colours Meaning of sounds Description of tastes	Different perceptions of rating scales in questionnaires (e.g. Likert-like scales).	Basic and compound unit conversion, e.g. monetary units, weight, distance, volume.	Calibrating dates and time periods, differences in development levels and technology advancement.

5. *Sample equivalence* – represents the choice of respondents in market research. Attention should fall on comparing the positions, roles and responsibilities of consumers in different countries, aiming to achieve comparability of samples across countries. There are two levels of sampling – country-level and individual. The main difference between general cross-cultural research and market-specific cross-cultural research is the importance of sample representation. Representative samples give out the truly valuable information in market research.

6. *Data collection equivalence* – the ability to collect equivalent amounts of data and complete the CCM research successfully. Main issues in data collection equivalence are reluctance to answer or participate, influence of cultural context, relationship with the interviewer causes biases on both sides (interviewer and interviewee). Possible solutions include asking for feedback from the respondent about the cultural adequacy of the question.

4. Building a cross-cultural marketing (CCM) research framework

Cross-cultural researchers face the challenge to conduct research that tackles the issue of equivalence and its subtypes. We suggest that the following research framework helps in following the principles of cross-cultural research methods. Apart from studying cultural differences in product research, marketers could make use of a generalized cross-cultural approach.

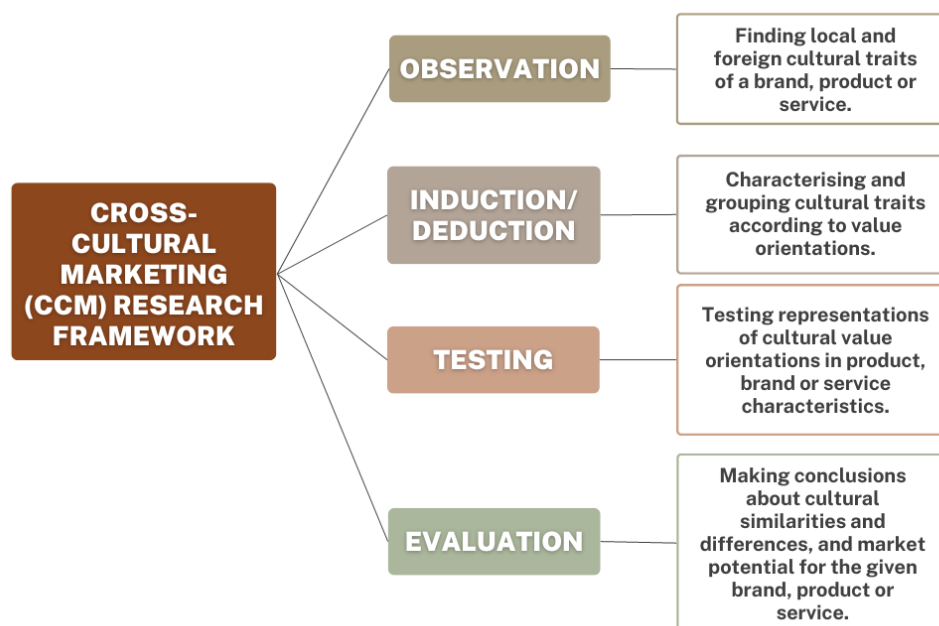


Figure 1. Cross-cultural marketing research framework.

CCM research framework includes the following steps:

1. Observing cultural traits of a brand, product or service.
2. Characterizing and grouping their traits.
3. Finding other national cultures with similar brands, products or services.
4. Characterizing and grouping their traits.
5. Localizing brand, product or service characteristics in respective cultural value orientations (e.g. Hofstede, Schwartz, Trompenaars, Hall), such as individualism vs. collectivism.
6. Testing representations of cultural value orientations in product, brand or service characteristics.
7. Making conclusions about cultural similarities and differences of brand, product or service characteristics based on cultural value orientations.
8. Making conclusions about market potential for the given brand, product or service.

The framework is meant to be used as a *guide to the principles* of cross-cultural research in marketing.

CONCLUSION

Cross-cultural marketing is a relatively new discipline in international marketing and cross-cultural studies. It combines research matters related to cultural aspects of product, brand and service marketing. The goal of cross-cultural marketing is to solve communication issues across cultures, such as product design and perception, brand design, culture specific language use and copywriting, etc. Cultural values, norms, attitudes, behaviours, customs, habits, artefacts, language function and perception influence how a product, service or brand are performing in a given market. That's why CCM research must aim at achieving cross-cultural equivalence for successful results. Cross-culturally equivalent marketing research is capable of comparing a culture specific research object under the same criteria. This requires having representative samples of international consumers to render accurate results.

The main difference between general cross-cultural research and market-specific cross-cultural research is the importance of sample representation, which is a prerequisite for accuracy. For this reason, we see the full potential of CCM research in the digital world, where culturally equivalent research could be achieved more easily.

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