

“A global strategic framework for marketing across cultures”

AUTHORS	David Dickerson William F. Pore
ARTICLE INFO	David Dickerson and William F. Pore (2014). A global strategic framework for marketing across cultures. <i>Innovative Marketing</i> , 10(3)
RELEASED ON	Tuesday, 28 October 2014
JOURNAL	"Innovative Marketing "
FOUNDER	LLC “Consulting Publishing Company “Business Perspectives”



NUMBER OF REFERENCES

0



NUMBER OF FIGURES

0



NUMBER OF TABLES

0

© The author(s) 2026. This publication is an open access article.

David Dickerson (Kazakhstan), William F. Pore (Republic of Korea)

A global strategic framework for marketing across cultures

Abstract

The meaning and definition of “international marketing” can be extracted and understood differently. This paper explores the need for “cross-cultural marketing” that crafts a unified global strategic marketing framework rather than exporting an Anglo-Saxon driven model from one culture to another. The application of dilemma theory is introduced as a means to resolving failed market entry strategies by examining *Wal-Mart's* penetration into the South Korean and German markets. It is suggested that if reconciliation is not built into the international market strategy formulation process, then the execution of market entry strategies will continue to fail.

Keywords: marketing across cultures, cross-cultural marketing, *Wal-Mart's* marketing failure, international marketing, global marketing strategy, international business.

JEL Classification: M31.

Introduction

This paper attempts to acknowledge multiple cultural voices, strategic positions and values in an inclusive, rather than an exclusive, praxis and demonstrates the need to build new strategic cross-cultural frameworks for operating effectively in different cultural markets.

Dilemma theory (Hampden-Turner and Trompenaars, 1997) is the methodology employed, enabling one to map out the mindsets of key players, such as East Asia, at a time of failing internationalism. By learning how to identify and extract the different meanings of the key players' value systems, one is able to map out a new cross-cultural marketing strategic framework for sustaining the evolution of a superior capacity for change.

Deconstruction in cross-cultural arenas is long overdue, and this can be reconciled with the reconstruction of a new cross-cultural framework as illustrated by *Wal-Mart's* market entry into South Korea and Germany.

A need for reflection and a critical examination of adopted management models, especially those within embedded ethnocentric contexts of shared beliefs, values and cognitive structures are also explored. It is argued that organizations need to learn to manage cultural diversity within a new framework that has the strategy-making participants' cultural values built into it rather than adapting an Anglo-American or European model to other cultures, such as those in East, South or Central Asia. The need for the development of organizational ideologies that build on cognitive structures, culturally sensitized to diversity, is central to a generic strategy.

1. Going local: a vital strategic imperative

Societies with Anglo-American work ethics have created value systems which emphasize that individuals can succeed if they have talent and

commitment. There are also ethnic value differences within these work ethics that are often neglected in increasingly multi-cultural organizations. These differences are visible, even in the cross-cultural setting between “psychologically-close” cultures (Sappinen, 1992). Similarities are defined as those of a cultural, social, and economic kind. They are exemplified by country-led conglomerates. In Asia, these include the South Korean *chaebol* of Samsung or the Japanese *keiretsu* of Sony with operations in culturally close societies such as Vietnam and China. However, when these same corporations operate in other Asian contexts that might be assumed to be similar, differences of a more complex kind have unexpectedly arisen in clashes arising from work and operational ethics, as have occurred in Indonesia and Thailand (Kyoto Review of South East Asia, 2011). These differences stem from the different fields of experience, broadly defined, of each society (Huo and McKinley, 1992; Kelley, Whatley and Worthly, 1987).

Cultural Differences (Trompenaars and Woolliams, 2003) in national formative contexts may often impact the inter-relationship between business strategy, environment and control system attributes, and strategic management (Douglas and Rhee, 1989; Huo and McKinley, 1992; Kouzmin and Korac-Kakabadse, 1997; Ouchi, 1979; Porter, 1990; Schneider, 1989). Similarly, an organization's formative context (whether it has experienced organic and/or acquisition-based growth), history and circumstance determine organizational success (Kakabadse, 1991, p. 164).

2. Market adaptation requires internal change

Adapting a successful market strategy from one culture to another requires an internal organizational change. In pragmatic marketing terms, there is a business case for change driven by the need for increased sales, if not for purely altruistic reasons. Besides altruism, cultural changes are also influenced by many other factors, such as the organization's founder, its history and changing markets, IT advancement, the actors' changing profiles and leadership (Bennis, 1993; Korac-Boisvert and

Kouzman, 1994; Korac-Kakabadse and Kouzman, 1997a; 1997b; Kouzman and Korac-Boisvert, 1995). In a broader context, organizational culture forms an important ideological element within a global restructuring of capital, labor and markets and a shift towards a more fluid organizational philosophy of “flexible accumulation” (Harvey, 1989). In order to harness these changes consciously, organizations need, in addition to a progressive cultural policy, an infrastructure and “new-age” leadership vision, or an egalitarian ideology (Korac-Boisvert and Kouzman, 1994), to sustain and increase market share.

In Bakhtin’s (1968) terminology, organizations need to provide a hybridization model not unlike that which has been recently adopted by Samsung Electronics (T. Khanna, J. Song and K. Lee, 2011). The intent of this model is to bring together the exotic and the familiar through actors’ broader cultural awareness. In the case of the Samsung model, there is a blending of traditional Japanese and modern Western systems. Organizations need to change in ways such as this in order to accommodate actors from a variety of cultures, providing equal opportunity for the fulfillment of each actor’s intellectual, emotional and socio-economic aspirations, irrespective of the cultural or ethnic differences (Korac-Boisvert and Kouzman, 1994). The emerging global option highlights the need to think realistically about creating an effective worldwide business (Ali and Falcon, 1995; Kakabadse, 1991, p. 53; Zuboff, 1983) that reconciles cultural differences among manufacturers, suppliers, channel partners and end-users when marketing its products or services in different destination cultures.

3. Crafting cross-cultural marketing strategy by applying dilemma analysis

Dilemma comes from the Greek word *Di-lemma*, two propositions, meaning a situation in which a choice has to be made to gain or avoid between two equally urgent, yet cunningly incompatible, alternatives. It is true that decision-making is about choosing between two unpleasant alternatives and quite often that is a dilemma. Hampden-Turner (1990) maintains that dilemmas are often defined as choices between unfavorable alternatives. This would certainly sharpen the dilemma, but it is also a dilemma to have to forgo one alternative for another when one would like to have both. Hampden-Turner (1990) argues that one needs to extend Dilemma Theory to describe a very common experience, such as management wanting rapid market growth and high profitability, while it is difficult to obtain both. Choice includes combining values, not simply dividing them. The “horns” of a dilemma can be used like the cross-co-ordinates on a chart, allowing

an organization to navigate and to plot its progress. Dilemmas are twin perils to be steered between. In early Greek mythology sailors who tried to navigate the straits of Messina were said to encounter a rock and a whirlpool. If they were too intent upon avoiding the rock, they could be sucked into the whirlpool. If they skirted the whirlpool by too wide a margin, they could strike the rock.

The purpose of the charts below (Hampden-Turner, 1992) is to show that many managerial choices *are not either-or, but both-and*. The “horns” of the dilemmas can be steered between and it is possible to navigate in the direction of, say, “higher quality at lower cost”, while avoiding both the rock of relentless cost cutting and the whirlpool of ineffable and fathomless quality. Charting records judgements and allows these to be compared with the harder results and consequences that follow. These are “pure dilemmas”, designed to be insoluble and, according to Hampden-Turner, one is concerned with *practical dilemmas*.

An organization, its working assumptions and strategies, constitute a whole mental and cultural pattern. Hampden-Turner (1990) argues that one can try to analyze the whole into discrete dilemmas, but these are not, in fact, discrete or separate. All dilemmas are connected weakly or strongly to all other dilemmas. All solutions or near solutions make the other dilemmas easier to resolve. All failures or near failures to resolve a dilemma make the other dilemmas harder to resolve. Dilemmas are connected by a generalized skill in the capacity to resolve dilemmas, a kin to steering a ship skilfully.

Moreover, such skills are learned not simply by individuals but by whole groups and organizations, so that the resolving of several dilemmas is mediated by *organizational learning* – by routinized ways of combining the needs and the claims of different groups both inside and outside the organization. Dilemmas are combined by drawing upon the cybernetic process. A cycle or, more precisely, a helix shows development on all three dilemmas sequentially. As the helix develops, the corporations concerned become steadily more differentiated, yet better integrated, and encounter greater turbulence to which they respond even faster to achieve even greater economies of scale supported by increased flexibility and versatility. From such learning circles, corporations can develop as wholes. Good organizational performance requires one to break down value creation into its components and chart progress on the separate planes or strategic maps. By concentrating on key dilemmas, one discovers which issues and which resolutions are crucial to building a new global strategic framework for marketing across cultures.

4. Asia beyond ideology: unified marketing strategy through harmonization

The effort to create an “imagined community” for Europe, generating unifying symbols which differentiate Europeans from others, also draws sustenance from areas of cultural conflict such as the notion of ethnicity – the set of symbols, myth, memories, heroes, events, landscapes and traditions woven together in popular consciousness (Smith, 1990), which are grounds for a common culture. Reconstructing all national European cultures and constructing new symbols for an emerging European super-state and transnational culture is problematic, although with the further development of the European Union it is expected that trade between EC member states will rise and that collaborative and joint-venture projects will be increasingly perceived as low risk initiatives (Burns, Myers and Kakabadse, 1995).

Ethnic resistance to reconstruction has often been underestimated, as frequently seen in newly industrialized societies such as Brazil (Osiel, 1984, p. 49) and Eastern Europe. Convergence, however, is never complete and the adoption of particular social forms is mediated by cultures and strong social forces of ethnicity. Hofstede (1992; 1993) contends that research evidence indicates that cultural diversity and diverse ways of thinking will remain for the next few hundred years.

Although ethnic cultural differences undeniably exist, the significance attached to these differences is a point of discussion. Some theorists argue that differences in international organizations have less to do with culture and more to do with the absence of a shared experience within the organization. The argument is that being of a different ethnic culture should not be an issue (Kakabadse and Myers, 1995a). Kakabadse and Myers (1995a) argue that the real issue of ethnic differences is preventing the “inhibition factor” from rising to prominence, e.g., not acting on the challenges that exist in an organization simply because they have been labelled as differences of ethnicity.

Others argue that the core values of ethnic culture are impenetrable and as such are resistant to change. This is exemplified in transplant organizations such as Toyota’s operation in the US, where the core corporate value is opaque, preserved and resistant to change while mutation and changes are allowed in the buffer zone of the peripheral culture. The *fin-de-millennium* illustrates that ethnicity has a much greater resilience than many symbolic analysts, exemplified by politicians, have imagined. However, acknowledging the presence and beauty of ethnic diversity, whilst effectively working with such differences, requires particular application in policy

design; nurturing multiple ethnic interfaces requires a high level of attentiveness to dialogue (Kakabadse and Myers, 1995a) and the accommodation of different values. Making this dialogue work across organizations or different formative contexts is the challenge (Kakabadse and Myers, 1995a) for contemporary and globalizing organizations.

Moving from the national state to the transnational or global one, whereby the world becomes united to the extent that it is regarded as one place and one global culture, poses a number of challenges (Robertson, 1990; Wild, 1994). There are arguments both for and against cultural integration and homogenization at the global level. This is evidenced by multi-national Capitalism – Americanization, Japanization and media-imperialism – which assumes that local differences are being obliterated by universal forces exemplified by increased international flow of people, capital and symbolic goods (Gassner and Schade, 1990). Factors that mediate between national cultures, global financial markets, international law and various international agencies and institutions form the transnational or “third culture” (Gassner and Schade, 1990). It is this cultural imperialism that also exports its ethical framework for the way things should be done without taking into consideration the different value systems of the other cultures.

It is in Asia that this “third culture” perhaps encounters its greatest challenge. With globalization pressures operating and Neo-Liberal propaganda dominant since 1978, many governments in East, Southeast and Central Asia, socialist or otherwise, such as China, have found the pressure to accept Anglo-American economic and managerial recipes (re-structuring, de-layering, re-engineering, privatization) irresistible or unavoidable. The idea that these recipes might not have been appropriate is, often, inconceivable. As with all other policy and organizational choices, there are costs as well as benefits associated with choice; every gain in short-term efficiency carries with it a potential loss of longer-term capability. Unfortunately, potential losses are more often than not intangible and thus very often underestimated (Kakabadse, 1991; 1993). Nonetheless, these losses are real and often have very marked long-term effects. Choosing inappropriate management models without supporting capabilities and an effective information infrastructure have “creeping crisis” effects (Kouzmin, Korac-Kakabadse and Jarman, 1996).

There exists a wealth of theoretical and operational information regarding the experience of other market-oriented societies, but its value to managers in former Socialist and transitional economies is limited, as these experiences are unique to formative context and are not easily transferable or even

relevant. The past experience of many Asian, African and Latin American governments, which resulted in large investments in economic and management training at prestigious foreign universities, has yielded ambiguous results. The often quasi-anecdotal comments that 'the authoritarianism and misbegotten economic policies of many countries can be blamed on the Harvard Business School (Walsh, 1994, p. 53), reveals a need for governance and management capabilities sensitive to formative context and other unique, developmental requirements. At the least, it requires a theoretical understanding that "asset stripping", from the public to the private sector, is a major tenet of Neo-Liberal, economic macro-strategy, facilitated through contracting out and privatization (Johnston and Kouzmin, 1998, p. 496). Jim Rogers', the so-called Indiana Jones of finance (McGrath, 2003, p. 38), lecture to Korean MBA students at the Harvard Business School illustrates how Wall Street arrogance has been interwoven into the projection and export of American business ethics to China, Japan, Korea and elsewhere. This all may have been avoided if Anglo-Saxon values had not been built into the ethnocentric framework exported around the world.

Liberalized financial markets are unlikely to lead to allocative efficiency within an economy and, furthermore, may prove particularly inadequate in promoting long-term development strategies or dynamic efficiency (Cowling, 1987). The appropriateness of Anglo-American financial models of development for transitional economies, if applied to the frontier economies of Vietnam or Kazakhstan for example, may, at best, be questionable, based on experiences demonstrated in the Russian republic and the former Warsaw Pact states of Eastern Europe, or, as suggested by Corbett and Mayer (1991) and others (Sheldon, 1987; 1990; Ziauddin and Davies, 1992), largely non-transferable.

Furthermore, aid is frequently restricted in a manner that leads to links with multinational enterprises, promoting, in the long term, a net outflow of capital. Aid is often focused precisely where the donor's core corporations see the greatest opportunities (Reich, 1993, p. 93). For example, the "shock therapy" program opened new market opportunities for market-oriented economies and produced new, social cleavages in Russian society. By creating new wealth in the hands of the old "Nomenklatura", and organized crime, "Wild-West Capitalism" hampered political stability, in the short term, through countenancing questionable transactions and suppressing political backlashes as the transitional economy was unable to effectively deal with rapid accumulation and the politically necessary redistribution. The now well reported economic gap, prevalence of corruption, and lack of transparency

in China, and their increasing exposure in Korea, and Vietnam, demonstrates how states can become preoccupied with their competitiveness rather than making sacrifices for the common good (Anna, 2010; Soros, 1997). On the other hand, despite the amorphous, fluid, and hidden structures of non-state actors, transnational corporations, no matter their country of origin, have shown an increasing adaptability where they have invested in practices which promote social responsibility (Lim, 2000).

The donor organizations' inability (Ramos, 1981; 1985) to incorporate into development programs a formative context (Borda, 1986) has often produced anti-development sentiment in societies in transition (for example, Mexico, India) (Borda, 1986; Esteva, 1987; Rahnema, 1988; 1990; Escobar, 1992). The effects of liberalization on an economy are more often than not dramatic, since policy outcomes prove to be so different from expectations (Ramos, 1985).

Although accumulation, as Bell (1976; 1980) has pointed out, takes place in any complex economy, the problem with "shock-therapy", market-oriented and rapid de-regulatory programs is not that they create accumulation, but that they create a narrow group of beneficiaries in the short term (Lipton, 1986), a lack of "democratization of accumulation". Thus, while market-liberalization programs must deal with the economic fundamentals of budgetary discipline and open trading, they also must ensure that gains from economic growth are distributed somewhat more equitably through an established, regulatory framework.

In current transitional debates, it could be argued that governance agendas have been "high-jacked" by a consensus built around Neo-Liberalist and Economic Rationalist policies – propagated even more heavily in policy transfer and restructuring advice focused on the putative reforming of the economy. Nowhere has such "shock", "rationalist" advocacy been seen as in the Russian case, an advocacy that surprised even the most ardent managerialist.

Ideology and propaganda, if not a dose of epistemology, certainly need to be incorporated into what is increasingly perceived to be sterile and discredited Economic Rationalism in much of business and, increasingly, the governance discourse on offer (Kouzmin, Leivesley and Korac-Kakabadse, 1997). It does seem that "shock therapy" strategies and radical economic transitions are to be tolerated *off shore* – certainly not, domestically, in Western economies. Only in phobic contexts is pure, doctrinaire and ideological, Neo-Liberal prescription so countenanced.

The West has a long record of getting the East, whether China, Japan, Korea, or Vietnam, among others, wrong. Simply put, China and many other

countries in Asia are not like the West and never will be. Among many Westerners, perhaps the most misleading assumption is that the modernization of all these Asian societies will inevitably lead to Westernization. However, this is wrong, because modernization is not just shaped by markets, competition and technology, but also by the identity these societies derive from history and culture (Jacques, 2009).

Political and governance failure by Western scholarship to understand processes of *radical* economic and political change is not only regrettable, it is also dangerous (Burawoy and Krotov, 1993, pp. 67-69; Burawoy, 1994). For 200 years the West dominated the world and was not required to understand others or The Other. Porter (1980) never entertained cultural differences of the suppliers, buyers, potential entrants, substitutes and industry competitors. In the future, as has often been the case in the past, whatever happens in, or comes from, Asia may be a surprise. Western scholarship failed not only to fully understand Russian, Chinese, Japanese, Korean, and Vietnamese culture and history, but also most other Asian peoples within the context of crisis and change prescriptions or “Transformation Management,” as it has been called (Kumar, 1995, p. 235).

Precisely at a time when the US, in particular, sought to “re-invent government” (Wamsley et al., 1990; Osborne and Gaebler, 1992) and to recognize the legitimacy and functional imperatives of more oligarchic and complex regulatory mechanisms required within internationalizing economies, the nations of Asia may provide a unique model of such governance, legitimacy and functionality. And this, following crisis transitions from an overly-regulated economy to what is now increasingly perceived to be dysfunctional, oligarchic strategies mitigating the consequences of “shock” Neo-Liberal economic transition (Burawoy, 1994, p. 593), i.e., rapid, criminalized privatization and economic mis-development.

5. The Wal-MART dilemma: a failed market entry strategy

The conceptualization of unity through diversity, or unity permeating difference, is becoming more acceptable today as part of some of the changes which have given rise to the information age, undermining the cultural integration of the nation-state. The concurrent incorporation of the state into large units and the transformative effects of global economic and cultural flows require a global unity within which diversity can take place. This is exemplified by the current efforts to create a European identity, sponsored by the EC (European Commission), in such a way as to allow cultural variation and unity through diversity (Schlesinger, 1987) Thus, do we have one manifestation of the

still not completely understood concept of globalization and how it will evolve? By extension, within the Kantian legacy, while the Euro-American idea of the global has the right to exist, it is not guaranteed the status of exclusive universality (Mignolo, 2011). It is by recognizing and drawing on the concepts of another universalism, that of the East – from Asia, and China and its cultural sphere specifically – that we may be able to create a better strategic framework for formulating and executing marketing strategy across different Asian cultures.

In Asia, there exists the possible viability of another idea. The ancient syncretizing concept of *yin-yang* (the blending of opposites, rather than their absolute opposition, as in the West) may in the end prove to be a useful starting point for harmonizing marketing strategies of the East versus West. Indeed, *yin* and *yang* are continuously reconciled and synergized, and neither is always dominant. Both systems theory and *yin* and *yang* direct our attention to context. It is after all the context, whether in the mundane world of marketing strategy, which evolves and requires us to revise the way we perceive reality (Jamieson, 1995). This returns us to the hybridized and blended business structural and marketing approaches already found in parts of Asia that could be adopted in the West as a cross-cultural marketing strategy that integrates harmony into building a unified strategic model.

In order to manage and forecast “cultural dilemmas” (Trompenaars and Hampden-Turner, 1997) successfully in response to global business connections requiring organizations and managers to become competent in cross-cultural interactions, organizations need to reconcile the idea (Trompenaars and Hampden-Turner, 2001) of building a new strategic framework for marketing across cultures, by first mapping out the existing cultural differences. These shared and internalized basic assumptions enfold organizational scripts and values welcoming change and the nurturing of the development and growth of all organizational actors. It could be suggested that charting the mindsets of people from the East and West, working together in one organization, would illustrate where the cultural differences exist. Synthesizing these differences will enable the organization to avoid conflict and crisis, and enable a unified strategy to be executed. Reconciling cultural differences will be a global business strategy for companies needing to achieve increased sales and market share growth. It could be suggested that a trans-culturally competent strategy for growth would include a new strategic marketing framework that is built in unity by people from diverse cultures.

The Anglo-American management “course” of gender, multi-cultural talent, and chronic human resource wastage, in the name of re-engineering both public and private sectors for short-term, least

cost efficiency and competitive advantage, is yet to be confronted in any strategic or cross-culturally systematic way. This is why organizations based in Arkansas, Frankfurt or Seoul need to sit with their local management team, suppliers, buyers and end users to craft a “new” marketing strategic model, from the ground up. This model would take each participant’s cultural assumptions and imperatives into consideration, because conflict without reconciliation can be costly and result in a failed

strategy that does not unify the integrated value systems. While it is important to maximize shareholder value, it is even more important to maximize the cultural values of the stakeholders. Hence, a new strategic framework using *Wal-Mart* as an illustrative example is proposed in Tables 1 and 2 to demonstrate the need for marketing strategists to chart their course when launching their products or services in different destination cultures.

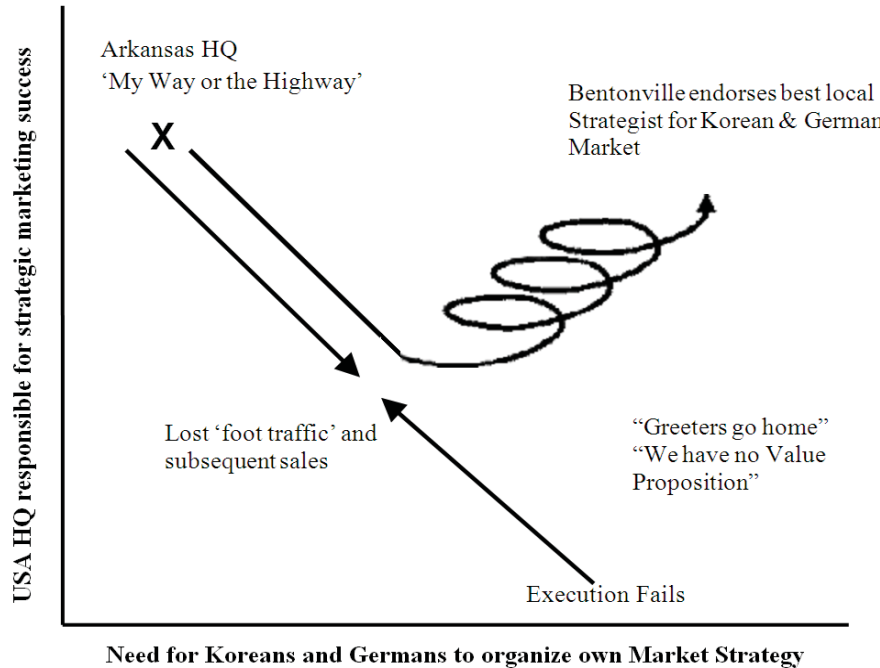


Fig. 1. The ‘Wal-Mart’ American way

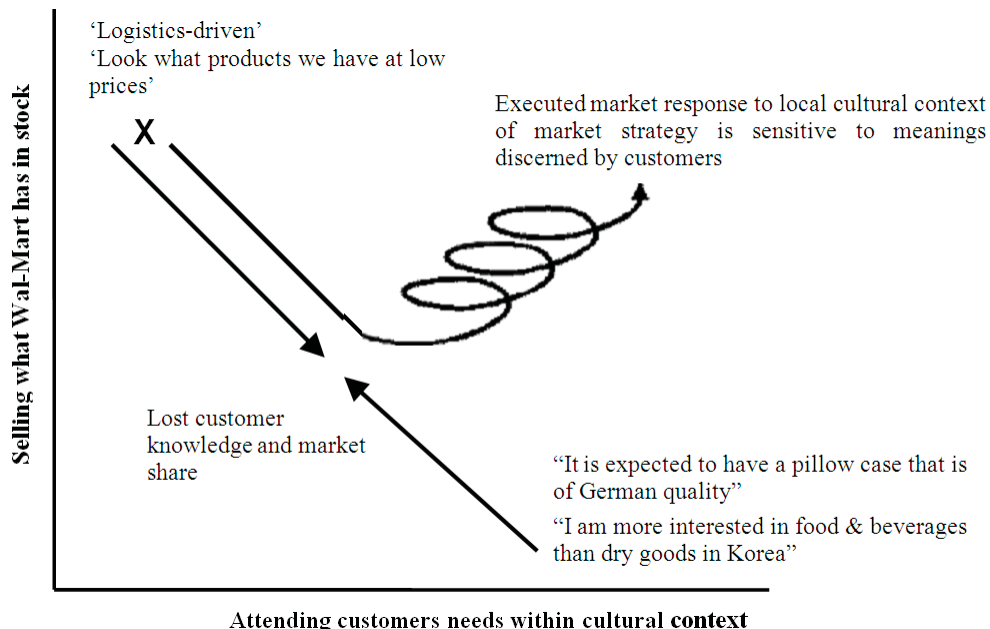


Fig. 2. Product push-product pull

Wal-Mart clearly dominated the U.S. retail market with their state-of-the-art supply chain management system, but riding the wave of growth did not imply that their methodology for formulating and executing global marketing strategy was a recipe for

success. They expanded their business model in South America, Europe and Asia, and oddly enough, that model failed, resulting in a ‘fire sale’ of their operations in South Korea and Germany in the same year, 2006. *Wal-Mart*’s model in the U.S. market

centered around providing low-price offerings achieved through pressure applied on suppliers, customer satisfaction and low paid employees.

The proposed framework, extracted from dilemma theory, provides a tool for marketing professionals to map their strategy based upon two contrasting propositions from opposing values. Applying this framework to global marketing enables one to record customers' values and allows these to be compared with the consequences of lower sales and market share results that follow. All dilemmas are connected, and this could be seen in the German operation because failures to write the reconcilable strategy will ultimately lead to a failure in resolving the other dilemmas. The framework simply uses an 'X' and 'Y' axis to plot the dilemma as two contrasting values, while on the inside of the graph, conflict is illustrated, and the reconciliation is demonstrated by synergizing both differences to represent the cross-cultural marketing strategy that harmonizes the approach to the customers in the different destination market. Furthermore, the helix leading to the synergy of the contrasting propositions draws upon a cybernetic process which represents better integration of the value(s) differences that encounter greater turbulence, and in which *Wal-Mart* marketing strategists could have responded more rapidly and achieved even greater sales and market share.

Despite attracting customers in *Wal-Mart*'s home market, the management failed to perform competitive analysis within both South Korean and German markets. *Wal-Mart* soon learned the hard way when they found themselves not to be the hunter, but rather the hunted by their competition in both markets (Knorr & Arndt, 2003). "*Wal-Mart* is a typical example of a global giant who has failed to localize its operations in South Korea," Na Hong Seok, an analyst at Good Morning Shinhan Securities in Seoul, said, and continued, "it failed to read what South Korean housewives want when they go shopping" (Sang-Hun, 2006). In Germany, where domestic "value retailers" already dominate the grocery market, it found customers were turned off by the early designs of its stores, by a too-narrow range of produce, and by the famous "greeters", who welcomed shoppers to the store and are instructed to smile when within a certain distance of a customer. It also became embroiled in labor disputes that led to strikes. (Foley & Mesure, 2006). The circumstances of the company's failure to establish itself in Germany give reason to believe that it pursued a fundamentally flawed internationalization strategy due to an incredible degree of ignorance of the specific features of the extremely competitive German retail market (Knorr & Arndt, 2003). Upon closer examination, the research revealed that *Wal-Mart*'s market entry into South Korea and Germany

was nothing more than a failure due to management's application of a standardized business model without a localized value proposition.

Conclusion

It is clear that marketing strategists need to become aware of the need to account for culture prior to market entry. As evidenced by the *Wal-Mart* example, in both South Korea and Germany, there was a failure to chart their course and address the contrasting interests such as those of the seller and buyer. It could be suggested that a better definition of international marketing would be reconciling the needs and wants of the customer. Hence, 'cross-cultural' marketing. More importantly, it is essential for marketing teams to understand that different meanings are extracted from the consumer in different cultures. The Germans, for example, complained that they did not want large pillow cases because small pillow cases are the norm in their culture. The South Koreans asserted that they wanted food and beverages and not just dry goods. This paper selected *Wal-Mart* as an example, but it should not be forgotten that leading companies such as Nokia, Nestle and Google also failed in South Korea. The *chaebol* Sankyung states in its "Sankyung Management System" (SKMS) that "the goals of the enterprise are survival and growth, so it could be presumed that many of the Western executives would agree."

Akio Morita designed the "Walkman" so that it would not disturb others when one listens to music, Steve Jobs' "I-phone" legacy has been designed to be "culture free" in order not to invisibly "cage" individuals and so that each user can input their culture into the product. It is suggested that more research and considerably more thought must be put into the design and execution of a strategy for marketing hi-tech products and retail services such as these in a globalized workplace that aligns with a newly constructed strategic framework which allows intercultural interaction.

In the field of cross-cultural marketing, ideologies and lifestyles can compete and collaborate at the same time. Dominant classes, represented by global enterprises, often impose culture on others in a globalizing world (Thorne and Kouzmin, 2004) with little or no consideration of the host cultures' framework for formulating marketing strategy. The emergence of new economic partners from different destination cultures comes with different perceptions, assumptions and expectations. This paper suggests that organizations at the dawn of this new millennium will require a new cross-cultural strategic framework for formulating and executing marketing strategy. This framework will be custom designed by the various participants and will include different value

systems eliciting difference. Further innovative marketing research in the faculties of neural psychology, data mining and artificial intelligence could potentially provide more sophisticated output

of mapping the different cultural value systems in the future. This will undoubtedly be an important role for the emerging Chief Cultural Officer (CCO) and Chief Marketing Technical Officer (CMTO).

References

1. Ali, A. and Falcon, T. (1995). Work Ethic in the USA and Canada, *Journal of Management Development*, 14 (6), pp. 26-34.
2. Anna, C. (2011). Beijing starts locking poor villages at night, msnbc.com.
3. Bakhtin, M.M. (1968). *Rabelais and His World*, MIT Press, Cambridge.
4. Bell, D. (1976). *The Cultural Contradiction of Capitalism*, Heinemann, London.
5. Bell, D., (1980). The Social Framework of the Information Society, in Dertouzos, M.L. and Moses, J. (eds.), *The Computer Age: Twenty-Year View*, MIT Press, Cambridge, pp. 159-167.
6. Bennis, W. (1993). *An Invented Life: Reflections on Leadership and Change*, Addison-Wesley, Reading.
7. Borda, O.F. (1986). *Retorno a La Tierra*, Carlos Valencia Editores, Bogota.
8. Burawoy, M. (1994). Why Coupon Socialism Never Stood a Chance in Russia: The Political Conditions of Economic Transition, *Politics and Society*, 2 (4), pp. 585-594.
9. Burawoy, M. and Krotov, P. (1993). The Economic Basis of Russia's Political Crisis', *New Left Review*, No. 198, March-April, pp. 49-69.
10. Burns, P., Myers, A. and Kakabadse, A. (1995). Are National Stereotypes Discriminating? *European Management Journal*, 13 (2), pp. 212-217.
11. Choe, Sang-Hun (2006). Wal-Mart Selling Stores and Leaving South Korea, 'International Herald Tribune', Available at: <http://www.nytimes.com/2006/05/23/business/worldbusiness/23shop.html>.
12. Corbett, J. and Mayer, C.P. (1991). Financial Reforms in Eastern Europe: Progress with the Wrong Model, CEPR Discussion Paper, Number 603, September.
13. Cowling, K. (1987). An Industrial Strategy for Britain: The Nature and Role of Planning, *International Journal of Applied Economics*, 1 (1), pp. 18-27
14. Douglas, S.P. and Rhee, D.K. (1989). Examining Generic Competitive Strategy Types in US and European Markets, *Journal of International Business Studies*, 20 (3), pp. 437-463.
15. Escobar, A. (1992). Reflection on "Development": Grassroots Approaches and Alternative Politics in the Third World, *Futures*, 24 (6), pp. 411-436.
16. Esteva, G. (1987). Regenerating People's Space, *Alternatives*, 12 (1), pp. 129-136.
17. Foley, S. and Measure, S. (2006). Mighty Wal-Mart admits defeat in Germany, *The Independent* (July 29), Available at: <http://www.independent.co.uk/news/business/news/mighty-walmart-admits-defeat-in-germany-409706.html>.
18. Forbes (2004). The World's Richest People, February 26, 2004, <http://www.forbes.com/maserati/billionaires2004/>, (12 July 2004).
19. Gassner, V. and Schade, A. (1990). Conflicts of Culture in Cross-Border Legal Relations, *Theory, Culture and Society*, 7 (2 & 3), pp. 64-71.
20. Goldman, M.I. (2003). *The Privatization of Russia*, Routledge, London
21. Hampden-Turner, C. and Trompenaars, F. (1997). *Mastering the Infinite Game: How East Asian Values are Transforming Business Practices*, Capstone Publishing, Oxford.
22. Hampden-Turner, C. (1990). *Charting the Corporate Mind: From Dilemma to Strategy*, Basil Blackwell, Oxford.
23. Hampden-Turner, C. (1992). Charting the Dilemmas of Hanover Insurance, *Planning Review*, 20 (1), January/February, pp. 22-28.
24. Harvey, D. (1989). *The Condition of Postmodernity*, Basil Blackwell, Oxford.
25. Hofstede, G. (1980). *Culture's Consequences: International Differences in Work-Related Values*, Sage, Beverly Hills.
26. Hofstede, G. (1992). *Cultures and Organizations: Software of the Mind*, McGraw-Hill, London.
27. Hofstede, G. (1993). Cultural Constraints in Management Theories, *Academy of Management Executive*, 7 (1), pp. 81-94.
28. Huang, Yasheng (2010). China's Other Path, *The Wilson Quarterly*, Spring, pp. 58-64.
29. Huo, P.Y. and McKinley, W. (1992). Nation as a Context for Strategy: The Effects of National Characteristics on Business-Level Strategies, *Management International Review*, 32 (2), pp.103-113.
30. Jacques, M. (2009). US Must Move Beyond Western Compass to Understand China, *Los Angeles Times*, November 22.
31. Jamieson, Neil. (1995). *Understanding Vietnam*, University of California Press, Berkeley.
32. Johnston, J. and Kouzmin, A. (1998). Who are the Rent Seekers? From the Ideological Attack on Public officials to the "Pork Barrel" Par Excellence – Privatization and Out-Sourcing as Oligarchic Corruption, *Administrative Theory and Praxis*, 20 (4), pp. 491-507.
33. Kakabadse, A. (1991). *The Wealth Creators: Top People, Top Teams and Executive Best Practice*, Kogan Page, London.
34. Kakabadse, A.P. (1993). Success Levers for Europe: The Cranfield Executive Competencies Survey, *Journal of Management Development*, 12 (8), pp. 75-96.

35. Kanter, R.M. (1991). Transcending Business Boundaries: 12,000 World Managers View Change, *Harvard Business Review*, 69 (3), May-June, pp. 151-167.
36. Kaplan, Robert D. (2010). The Geography of China's Power, *The Korea Herald*, May 4.
37. Kelley, L., Whatley, A. and Worthley, R. (1987). Assessing the Effects of Culture on Managerial Attitudes: A Three-culture Test, *Journal of International Business Studies*, 18 (2), pp.17-31.
38. Khanna, T. et al. (2011). The Globe: The Paradox of Samsung's Rise, *Harvard Business Review*. Retrieved from <http://hbr.org/2011/07/the-globe-the-paradox-of-samsungs-rise/ar/1>.
39. Knorr, A. and Arndt, A. (2006). Why Did Wal-Mart fail in Germany? Materialien des Wissenschaftsschwerpunktes "Globalisierung der Weltwirtschaft", Bd. 24, ISSN 0948-3837 IWIM – Institut für Weltwirtschaft und Internationales Management Universität Bremen.
40. Korac-Boisvert, N. and Kouzmin, A. (1994). The Dark Side of Info-Age Social Networks in Public Organizations and Creeping Crises, *Administrative Theory and Praxis*, 16 (1), pp. 57-82.
41. Korac-Kakabadse, N. and Kouzmin, A. (1997a). From "Captains of the Ship" to "Architects of Organisational Arks": Communication Innovations, Globalization and the "Withering Away" of Leadership Steering, in Garnett, J. and Kouzmin, A. (eds.), *Handbook of Administrative Communication*, Marcel Dekker Inc., New York, pp. 681-716.
42. Korac-Kakabadse, N. and Kouzmin, A. (1997b). Maintaining the Rage: From "Glass and Concrete Ceilings" and Metaphorical Sex Changes to Psychological Audits and Re-negotiating Organizational Scripts (Parts 1&2)', *Women in Management Review*, 12 (5&6), pp.182-195; pp. 207-221.
43. Kouzmin, A. and Korac-Boisvert, N. (1995). Soft-Core Disasters: A Multiple Realities Crisis Perspective on IT Development Failures, in Hill, H. and Klages, H. (eds.), *Trends in public Sector Renewal: Recent Developments and Concepts of Awarding Excellence*, Peter Lang, Berlin, pp. 89-132.
44. Kouzmin, A. and Korac-Kakabadse, N. (1997). From Phobias and Ideological Prescription: Towards Multiple Models in Transformation Management for Socialist Economies in Transition, *Administration and Society*, 29 (2), May, pp. 139-188.
45. Kouzmin, A., Korac-Kakabadse, N. and Jarman, A.M.G. (1996). Economic Rationalism, Risk and Institutional Vulnerability', *Risk, Decision and Policy*, 1 (2), pp. 229-257.
46. Kumar, B.N. (1995). Evidence of Corporate Transformation in Post Communist Countries: Towards a Theory of Transformation Management, in Culpán, R. and Kumar, B.N. (eds.), *Transformation Management in Post Communist Countries: Organizational Requirements for a Market Economy*, Quorum Books, Westpoint, pp. 235-242.
47. Lim, Y. (2000). The Liberalization Process of Korean Capital Markets, *Investment Management Financial Innovations*.
48. Lipton, M. (1986). The Theory of the Optimizing Peasant, *Journal of Development Studies*, 5 (3), pp. 74-89.
49. McGrath, B. (2003). Reply to All, with History Sticks and Stones, Series: 2/5, *The New Yorker*, New York, Vol. 79, Issue 28, September 29, p. 38.
50. Meyer, H.D. (1993). The Cultural Gap in Long-term International Work Groups: A German-American Case Study, *European Management Journal*, 11 (1), pp. 93-101.
51. Mignolo, W. (2011). Cosmopolitan Localism: A Decolonial Shifting of the Kantian's Legacies, *Localities*, Volume 1, November, pp. 11-45.
52. Oh, Myung Seok, et al. (2011). South East Asian Studies in Korea since the 1990s: Review and Reflection by Discipline, *Kyoto Review of South East Asia* (online).
53. Osborne, D., and Gaebler, T. (1992). *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector*, Addison-Wesley, Reading.
54. Ouchi, W.G. (1979). A Conceptual Framework for the Design of Organizational Control Mechanisms, *Management Science*, 25 (7), pp. 833-848.
55. Politovskaya, A. (2004). *Putin's Russia* (trans. by Tait, A), Harvill, London.
56. Porter, M.E. (1990). *The Competitive Advantage of Nations*, Free Press, New York.
57. Porter, M.E. (1980). *Competitive Strategy*, Free Press, New York.
58. Rahnema, M. (1988). On a New Variety of AIDS and its Pathogens: Homo Economicus, Development and Aid, *Alternatives*, 3 (1), pp. 117-136.
59. Rahnema, M., (1990). Participatory Action Research: The Last Temptation of Saint Development, *Alternatives*, 15 (2), pp. 199-226.
60. Ramos, J.A.G. (1981). *The New Science of Organizations: A Reconceptualization of the Wealth of Nations*, University of Toronto Press, Toronto.
61. Ramos, J.A.G. (1985). *The Rise and Fall of Capital Markets in the Southern Cone*, ECLAC, Santiago.
62. Reich, R.B. (1993). *The Work of Nations: Preparing Ourselves for 21st Century Capitalism*, Simon and Schuster, Sydney.
63. Robertson, R. (1990). Mapping the Global Conditions, *Theory, Culture and Society*, 7 (2 & 3), pp. 63-99.
64. Ronen, S. (1986). *Comparative and Multinational Management*, Wiley, New York.
65. Ruttard, P. (1994). The End of the Soviet Union: Did it Fall, or Was It Pushed? *Critical Review: An Inter-Disciplinary Journal of Politics and History*, 8 (4), pp. 565-578.
66. Sappinen, J. (1992). Adjustment to a Foreign Culture and Measuring Expatriate Failure and Success: Two Case Studies of Finns in Estonia, Research Paper Series 2, Helsinki School of Economic and International Business Administration, Centre for International Business Research, Helsinki.

67. Schlesinger, P. (1987). On National Identity: Some Conceptions and Misconceptions Criticized, *Social Science Information*, 26 (2), pp. 111-124.
68. Sheldon, A. (1987). The Shifting Grounds of Poverty Lending at the World Bank, in Feinberg, R. (ed.), *Between Two Worlds: The World Bank's Next Decade*, Overseas Development Council and Transaction Books, Washington, pp. 87-103.
69. Sheldon, A. (1990). Toward a Pro-Poor Information Agenda at the World Bank, *Development*, No. 2, pp. 73-76.
70. Smith, A. (1990). Is There a Global Culture? *Theory, Culture and Society*, 7 (2 & 3), pp. 92-101.
71. Soros, G. (1997). The Capitalist Threat, *The Atlantic Monthly*, February, pp. 45-58.
72. Tellis, A. and Pyle, K. (2011). Asia Responds To Its Rising Powers, *The National Bureau of Asian Research*, Washington, D.C., pp. 35-62.
73. Terrill, Ross (2005). What Does China Want? *Wilson Quarterly*, Autumn, pp. 50-61.
74. Thorne, K. and Kouzmin, A. (2004). Borders in an (In)visible World? Revisiting Communities, Recognizing Gulags, *Administrative Theory and Praxis*, 26 (3), September, pp. 408-429.
75. Trompenaars, F. and Hampden-Turner, C. (1997). *Riding The Waves of Culture: Understanding Cultural Diversity in Business* (2nd Edition), Nicholas Brealey Publishing Limited, U.K.
76. Trompenaars, F. and Hampden-Turner, C. (2001). Cultural Answers to Global Dilemmas: Mastering Management – Part 14, *Financial Times*, January 15, p. 14.
77. Trompenaars, F. and Woolliams, P. (2003). *Business across Cultures*, Wiley-Capstone Publishing Ltd., West Sussex.
78. Wamsley, G.L. et al., (eds.), (1990). *Refounding Public Administration*, Sage, Newbury Park.
79. Walsh, J. (1994). The Global 100, *Time*, Number 49, December 5, pp. 51-53.
80. Wild, A. (1994). Vision of 2022: Era of the Global Works Council and Individualism, *Personal Management*, 26 (13), pp. 39-49.
81. World Bank (2002). *World Development Indicators: 2002*, The World Bank Development Data Group, Washington, DC WWW (1996), 'World-Wide-Web Survey', <http://www.consultco.com.au/> (10.10.2004).
82. Ziauddin, S. and Davies, M.W. (1992). Lessons from the Third World, *Futures*, 24 (2), pp. 150-157.
83. Zuboff, S. (1983). The Work Ethic and Work Organisation, in Barbash, J., Lampman, R., Levitan, S. and Tyller, G. (eds.), *The Work Ethic*, Industrial Relations Research Association, Madison, pp. 153-181.