

BY PINAKI DUTT, GLOBAL HEAD OF APPLIED CONNECTED INTELLIGENCE, MEDIACOM 29 JUN 2016

Culture is a hidden force that can make or break just about any marketing effort. An exciting new market study with itim International's Hofstede Centre will help us understand how culture affects consumer behaviour in modern times.

Culture is all around us.

When a brand understands the culture surrounding its target audience, the results can be magical. When a brand gets it wrong, the negative impact can be equally as powerful.

In 1996, Renault ran a campaign in Belgium featuring a man buying a car as a surprise

present for his wife. It was a huge success by any metric. But when the campaign ran in the Netherlands – a country with which Belgium shares a border – it was a PR disaster.

Where did Renault go wrong? In Belgium, a man can buy a car without consulting his wife. In the Netherlands, couples discuss and make important purchases together. Such is the difference between an individualistic and a collectivistic culture: the outward-facing signals may have looked the same, but the unseen customs and values were something else entirely.

Fast forward to today, and we often see campaigns racing across borders – or living on the borderless internet – with varying degrees of success. What defines their effectiveness is whether they are a hit or a miss with an audience's local culture.

Trends and culture are not the same things

A few years ago, there was some talk about the emergence of a new "urban cool" class: one in which its members would have more in common with one another than with people who happen to live and work in the same country or region. The argument was that a 16year-old in Sao Paulo and a 16-year-old in Beijing would have more in common with a 16year-old in Seattle than with their fellow countrymen. They were, for example, likely to wear similar clothes, own similar technology and like similar music groups.

The problem with this approach is that it's centered on emerging trends at the expense of the true, long-lasting cultural foundations of each country.

Even in the 21st century's "global economy", culture will often be what dictates the success of a marketing effort. It's a mistake to assume that ideas like "<u>technology is shrinking the</u> <u>world</u>" or a growing exposure to Korean manga and Japanese boy bands is likely to change this fact.

The relevance of culture

The first workplace cultural studies were conducted in the 1960s and 1970s by renowned

Dutch social psychologist, Dr. Geert Hofstede.

His most notable work is known as the "Hofstede model" of national culture, which relies on six dimensions: Power Distance, Uncertainty Avoidance, Individualism/Collectivism, Masculinity/Femininity, Long/ Short Term Orientation and Indulgence/Restraint.

The Hofstede model is widely accepted in the business world as the most comprehensive framework for interpreting national cultures.

In a unique and exciting partnership with the Itim International's Hofstede Centre, MediaCom is conducting the first field research to test the Model since 2010. We've surveyed over 60,000 consumers across 60 countries, with the following assumptions going in:

First, cultural changes occur over time, with some happening faster than others. Additionally – while trends may have little to no impact on national culture – certain events can alter a national's cultural ethos. The 9/11 attack on the World Trade Towers in New York City, for example, set off a cascade of actions, feelings and concerns that have changed what many now consider acceptable or "normal" behavior in public places.

Second, society changes. The role and influence of women both in and outside the workplace, for instance, has drastically altered the cultural landscape. Then there's immigration, the impact of which is far different than it was only 50 years ago. Free digital communication vehicles like Skype now help immigrants maintain far-away family relationships and friendships, and 24/7 internet news allows them to keep up with the political, economic and social changes at home. As a result, assimilation is no longer the powerful force it once was, making it more important than ever for marketers to not only understand a nation's culture, but also the cultural differences between various segments living in the same country.

Finally, media changes. In the 1970s, mass media ruled the day and marketers had a very narrow range in which they could "flex" campaigns across countries (and, if they did commit

an awful faux pas, far fewer people ever learned about it!). Today, our access and tools are extensive, and we are drilling down much farther than past research updates have. In the US, for example, our new research was conducted at the city level.

The findings

Our preliminary results show traces of a new dynamic. The US as a whole has become more collective since 2010. Furthermore clustering of the data leads to two elements with specific relevance for consumer behaviour; how rooted is a country in its past and how much information is needed when responding to marketing and communication.

Whatever the final results may be, we believe that our updated research will capture fundamental shifts in culture that will help us predict and understand how consumers receive and act on communications, content and platforms. And since our clients are in the business of creating connections systems that help them and their consumers flourish, that's exciting!

Stay tuned for the unveiling of the findings.

CONTENT