Culture and Why it Matters to Your Business
What is one of the most often overlooked elements in a company's international marketing strategy that can determine the success or failure of a product or service in overseas markets? The answer is one word – culture. Forget or trivialize this important ingredient, and your marketing campaign or website runs the risk of failing to attract potential buyers at best, or at worst, alienating or offending millions of people. This White Paper will explain why culture is so important to the financial success of your company and how it should impact the decisions you make, your interactions with customers, your advertising strategies, and your website localization.

Culture is multifaceted and comprised of many different elements that have been passed down for generations, including knowledge, belief systems, experiences, values, attitudes, religion, art, ideas, laws, morals, customs, and ways of perceiving the world. Though there is no one particular agreed upon definition, most of the attempts to define culture share some combination of the components listed above.

To make understanding culture more difficult, however, many cultural aspects are invisible at first glance. For example, when you travel to a new country, it is easy to see differences in music, food, clothing, architecture, language, religious practices, ways of greetings, and other behaviours. It is usually only after time, study, and immersion in a particular culture that you begin to understand and appreciate the deeper and often invisible aspects of culture (which in turn impact the visible forms), including such things as religious beliefs, gender relations, styles of communication, and beliefs concerning the role and importance of the family in society.

“The failure to understand cultural differences can bear serious consequences.”
– David A. Ricks
How Much Does Culture Really Matter to my Business?

1) The Impact of Culture on your Business Relationships with Overseas Clients, Customers, Employees and Partners

This section will discuss several considerations pertaining to culture that all businesses should be aware of when attempting to enter new markets. Some factors are seemingly small, such as the importance of colours and holidays, while others may have more of an impact on your business ventures. All of these elements are important, however, and the consequences of ignoring the unique cultural differences of your clients can be quite serious, including alienating an entire group of people and experiencing huge loss of sales.

Holidays: Why are they Important?

Though they may seem inconsequential when contemplating specific cultural factors that will have an impact on your business relationships, holidays are actually quite important as they vary considerably from culture to culture. It is advisable to recognize some of the most widely celebrated holidays in the countries where you do business in order to better appreciate what people in different markets deem important in their lives, as well as to avoid scheduling an important meeting on a day when no one in your target market is in the office!

Again, it is necessary to step outside the box many people in North America have grown up in, the box that says the main holidays are Christmas, Easter, New Year’s, and Thanksgiving. Not every culture celebrates these days, and for those who do, they might not celebrate in the same way or on the same day as those in North America. Many of these cultures will therefore not appreciate images of snow, Santa, Easter, or turkeys.
When doing business internationally, it will serve you well to become familiar with the days on which the main holidays in your target market fall (many of them vary from year to year based on the lunar cycle) and also determine how (or if) your business partners and clients in potential or actual markets celebrate days such as New Year, International Women’s Day, Rosh Hashanah, Yom Kippur, Diwali, Ramadan, Hannukah, or Orthodox Christmas, just to name a few.

**The Business of Relationships**

In many Western companies, phrases such as “time is money,” or “let’s get down to business,” are common. On the other hand, companies in many other cultures around the world spend much more time, and place considerably more value, on forming and developing meaningful relationships with the people they do business with. For example, many executives in Middle Eastern, Mediterranean, Asian, and South American cultures prefer to do business with people they know and trust rather than people they have just met. In these cultures, forming a relationship must often take place before doing any business deals and is required to ensure success with your overseas business partners, clients and customers.

Due to the importance of relationships in many countries, an appreciation and understanding of the culture of the person you are developing a relationship with is critical. It is also suggested that you learn at least a few of the common words and phrases in the language of your target market as this will be taken as a sign of respect and an indicator that you wish to pursue a long-term business relationship with their company. This awareness and preparation will go a long way in helping you avoid embarrassing yourself and your company as well as possibly alienating potential customers. If you want to ensure long-term success after your initial entry into a foreign market, continued cultural awareness, communication, and competencies must be a priority for both you and your business.
The Consequences of Ignoring Culture

As noted above, there are many aspects of culture, such as religious beliefs and customs, which are hard to see and understand if you take only a cursory glance. However, these deep and hidden elements under the surface, much like an iceberg, often deeply impact the perceptions of potential customers in local markets. One high-profile example of a company failing to recognize this important fact occurred with Kakuto Chojin: Back Alley Brutal, the Xbox game developed by Dream Publishing and published by Microsoft Game Studios in 2002. In 2003, the game was recalled due to the extremely negative and vocal reaction from some Islamic groups due to the fact that verses from the Qur’an could be heard in the background.

It is when businesses fail to understand these elements that they get into trouble and go over “the cultural edge,” a situation that can be defined as the “tipping point at which a content element stretches the limits of the intended context, changing the game from ‘fun’ to potentially ‘offensive.’” These controversies are often the result of a lack of time, knowledge, and/or appropriate development process. On the other hand, if businesses are proactive and conduct the necessary research into the cultural practices of their target market, then controversy and alienation can be avoided.

The importance of the possible outcomes of your marketing strategy, product release, or website necessitates constant vigilance and consideration of the culture of your target market. If you fail to do so, you may experience the following potential consequences:

- Consumers lose faith and confidence in your product and company.
- Customer backlash and highly visible, negative public reactions.
- Negative public relations and the erosion of the brand you have worked hard to build.
- Loss of revenue, sales opportunities, and customers.
- Possible punishment in the form of retaliatory legislation or lawsuits.

DID YOU KNOW?

Back Alley Brutal, the Xbox game developed by Dream Publishing and published by Microsoft Game Studios was recalled and pulled from the shelves in 2003. The reason? The fact that verses from the Qur’an could be heard in the background caused an extremely negative and vocal reaction from many Muslims who believe the Qur’an should be treated with great respect.
2) The Impact of Culture on Website Localization and Web Content

To better understand and anticipate how your website will be perceived, interpreted and responded to by potential customers in your target market, it is important to know more about its socio-cultural environment before you begin to design your website and localize web content.

Maximize your Online Potential

As mentioned above, culture impacts how people perceive, process, and interpret information. This is very important when it comes to using the Internet and websites to attract international customers in overseas markets. The unique characteristics of the web carry important cultural implications that are important for business owners to be aware of in order to maximize their online potential:

<table>
<thead>
<tr>
<th>Web Characteristic</th>
<th>Cultural Implication</th>
</tr>
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<tbody>
<tr>
<td>The Web is an open network with global access.</td>
<td>The Web is viewed by people across countries all over the world thereby allowing for people from a wide number of cultures to view your website.</td>
</tr>
<tr>
<td>The built-in interactive nature of the Web.</td>
<td>A medium that lends itself to culturally sensitive dialogue.</td>
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<tr>
<td>The Web is characterized by hyperlinks and self-search options.</td>
<td>Hyperlinks and self-search options rely on consumer motivation to browse; therefore if web content is not customized for global customers, the interactive efforts might be wasted</td>
</tr>
<tr>
<td>Web technologies can help capture customer data that can be used for customization.</td>
<td>Using customer databases and software, country-specific and culture-specific profiles can be created and used to better meet diverse customer needs.</td>
</tr>
<tr>
<td>Media convergence and broadband technology make the web an ideal medium to interact with audio, video, graphic and text.</td>
<td>Media convergence on the web can be used to develop culture-specific themes, pictures, content, and sounds.</td>
</tr>
<tr>
<td>On the Web the capacity to hold visitors’ attention is an important challenge.</td>
<td>The web sites that are culturally sensitive and appropriate are more likely to engage the users.</td>
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</tbody>
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Source: The program module was developed by Professor Nitish Singh, “Website Cultural Customization: A Luxury or an Imperative?” California State University (CSU) Chico Research Foundation, in conjunction with GALA and the Localization Institute (2009).
Cultural Values

One of the biggest mistakes that a business can make is to ignore the important implications that culture can have on their website design and localization projects. Particularly, there are certain cultural values that will have a significant impact on how potential customers view your website. The chart below compares several important cultural characteristics and provides possible strategies that can be adopted when attempting to reach people holding that particular value:

<table>
<thead>
<tr>
<th>Cultural Values</th>
<th>Suggestions</th>
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<tbody>
<tr>
<td>Individualism</td>
<td>• Belief that the goals, needs, and values of an individual take precedence over that of the group.</td>
</tr>
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<td></td>
<td>Suggestions: Include a privacy statement and clearly state how people’s personal information will be protected or used; personalization through gift recommendations; acknowledging people in greeting by name when they log on; and use images and words that emphasize self-reliance, independence, and personal achievement.</td>
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| High Uncertainty Avoidance| • Predictability, structure, and order is highly valued  
• Uncertainty and ambiguity are not tolerated  |
|                          | Suggestions: Use local terminology, including metaphors and puns; provide free trials, coupons, or downloads to minimize the risk associated with purchasing a new product or service; provide 24-hour customer service via telephone; and include testimonials from satisfied customers. |
| Masculinity              | • Belief in achievement and ambition  
• Assertiveness, material possessions, and success are valued and seen as important  |
| Collectivism             | • Belief that the goals, needs, and values of the group take precedence over that of the individual.                                         |
|                          | Suggestions: Links to local web sites or partners, clubs or chat rooms; customer loyalty programs; mention collective work responsibility in your vision statement; emphasize that the customers are like family; and include country-specific symbols or pictures reflecting unique and/or celebrated aspects of the country. |
| High Power Distance      | • A strong belief in authority and hierarchy  
• Accepts hierarchy and power  
• Low on egalitarianism (belief that all people are equal)  |
|                          | Suggestions: Include company hierarchy information and pictures and profiles of CEOs and upper-level executives; use proper titles that denote the appropriate level of respect; mention the awards your company and/or executives have won; and include a vision statement signed by the CEO or top management. |
| Femininity               | • Belief in nurturing and caring for others  
• Helping others, protecting the environment for future generations, and a high quality of life are all valued and given a high priority  |

Source: The program module was developed by Professor Nitish Singh, “Cultural Customization Framework Explained,” California State University (CSU) Chico Research Foundation, in conjunction with GALA and the Localization Institute (2009).
It is therefore important that you understand where the people in your target market fit into the various categories above as this will impact how they interpret and respond to your website.

**Culture and Colours: What does one have to do with the other?**

Most people learned all their colours back when they were in kindergarten. But did you ever stop to consider that people from Asian or Middle Eastern cultures may ascribe different meanings to colours compared to people in North America? When localizing websites, documents, or advertising campaigns, it is crucial to step outside our North American and/or Western “bubble” and learn a bit more about the significance that colours may have for people around the world in order to avoid embarrassment or possibly alienating potential customers.

You might be thinking, “Sure, colours might represent different things to different people, but are they really that big of a deal?” The answer to that question is most definitely yes. For example, the colour red is often a symbol for Christmas in North America, while in countries such as Russia, China and Vietnam, the same colour symbolizes Communism. The army of the former Soviet Union was actually known as the “Red Army.” Perceptions around the colour white are another example of extremely different reactions to the same colour. In many Western countries, white conjures up images of purity and innocence, brides in wedding dresses, snow, and winter. On the other hand, some Asian cultures associate white with death and mourning.

**Pay Careful Attention To….**

It is clear that much of your international success hinges on understanding and appreciating the impact of culture on your website localization and business globalization efforts. All of the elements important to localization must be viewed through a cultural lens. Specific aspects of website and content design that will be influenced by culture and in turn influence the way visitors perceive your site include:

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*Colours are important in communications. Feelings, ideas, and emotions can be expressed with colours. When designing websites or brochures for international markets, the colours are a crucial factor. Not paying attention to them could result in expensive and often embarrassing problems…. Make sure your website has the right colour when entering into different markets. The wrong colour could transform the best designed website and best ad promotion into a nightmare.*
• Translation/Language Choice – Phrases, metaphors, idioms, humour, vocabulary, grammar, concepts, and language style must all be equivalent between the translated document and the source document.

• Pictures – People will be either drawn to or repelled from your website by the pictures and images you choose because they often carry implicit or explicit cultural messages.

• Symbols – Be sure to avoid symbols, graphics, and colours that will have a negative connotation, be misunderstood, or cause offense in a particular culture. Sometimes symbols that are understood and culturally acceptable in North America may be meaningless or even offensive in other countries. For example, the icon depicting the OK sign using the thumb and index finger is perfectly acceptable in Canada. However, this same symbol is considered an obscene gesture in parts of South America.

• Colours – Colours may have very different meanings for people in various parts of the world.

• Spatial Orientation – Left justified text will probably be more visually appealing for English readers as opposed to people reading Arabic, where the language is read from right to left rather than left to right.

• Navigation – Keep in mind that some languages will take up more space than others and that some languages read from right to left, rather than left to right. These factors will impact the ease and placement of navigation.

• Numbers - Different cultures use different measurement systems, different ways of writing numbers or even different ways of interpreting numbers. A lucky number in one culture may be considered unlucky in another.

It is also important to remember that some cultures are much more formal when it comes to naming conventions and this should influence the interactive features on your website. For many websites in North America, it is fine to address people returning to your website with a simple, “Hi Sarah. Welcome Back!” However, in other cultures, that would be considered extremely rude. Your company and website would be received much more favourably in some cultures (especially among websites targeting an older audience) if you say, “Hello Mr. Smith. It is wonderful to see you again. We so appreciate your continued support.” Further, names in some countries and cultures are much longer than many names in English-speaking

DID YOU KNOW?

Number 13 is considered lucky in Italy, while the unlucky number is 17:
- Well known Italian airline company (Alitalia) does not have a seat with the number 17
- Renault sold its R17 model in Italy as R177

Number 4 is considered unlucky in China, Korea, Japan, and Vietnam:
- Some buildings in East Asia do not have a 4th floor
- None of Nokia’s cell phone series begin with the number 4
- The Canon PowerShot G series of digital cameras skipped the G4 model name due to cultural beliefs.

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countries, they may be in a different order, and some may even include three or four names for one individual. In this way, it is important that you allow for enough space when people enter their names and other personal information.

3) The Impact of Culture on Your Public Relations, Marketing and Advertising Strategies

Companies that do not understand and appreciate cultural differences often implement marketing strategies that are doomed to fail from the beginning. Marketing strategies in one country do not always translate into success in another country.

According to Izabela Lundberg, founder of Global Entrepreneurs, “Not only can they fail - but the mistake could be so dramatic it can have a negative impact on the company’s global brand! Companies need to make variations to their marketing approach when doing business internationally.”

If you are responsible for public relations at your company, then you know the importance of brand consistency, advertising, media relations, and crisis management. But do you fully appreciate the impact that culture and awareness of cultural differences have on the success or failure of your public relations campaign when launching a product or service in a foreign market? For example, Pepsodent attempted to sell their teeth-whitening toothpaste in Southeast Asia but was met with extremely limited success due to one very important, yet over-looked detail. In many cultures throughout the region, people chew betel nuts in order to make their teeth black because black teeth are deemed attractive, the nuts are believed to strengthen teeth, and these nuts are associated with a variety of cultural rituals and ceremonies. A little bit of market research and awareness of cross-cultural differences could have avoided the failure and embarrassment associated with this marketing strategy.

It is therefore important to be culturally sensitive and aware when producing, naming, selling, and advertising products. For example, the makers of Barbie realized that little girls around the world had different skin colours, wore

TIP! When marketing to the general public, try to stay neutral. Have your marketing and advertising material reviewed by cross cultural specialists. This will ensure your advertisement does not offend a specific culture.

For example, in May 2008, Dunkin’ Donuts aired a commercial featuring Rachael Ray wearing a black and white scarf. However, many people believed the scarf resembled a kaffiyeh, the traditional scarf worn by Palestinians which some people perceive as symbolizing Palestinian terrorism and Muslim extremism. Because of the outrage and controversy over the scarf and the possibility of misperception, the Dunkin’ Donuts chain stopped airing the commercial.
different clothes, had different types of hair, and had completely different names. As a result, for the past 40 years, countries including Argentina, Australia, Canada, China, England, France, Germany, Italy, Korea, Malaysia, Mexico, Peru, Portugal, Spain, Sweden, Taiwan, and Venezuela have all sold Barbie dolls unique to their particular country and geared towards the wants and needs of their buyers.

Conversely, some companies did not stop and seriously consider the possible cultural ramifications of some of their products until the public demanded a change. For example, Crayola changed the name “Prussian Blue” to “Midnight Blue” in 1958 after teachers requested the overhaul. They voluntarily changed “flesh” to “peach” in 1962, in part due to the influence of the U.S. Civil Rights Movement. “Indian Red” was also changed after Crayola received reports from teachers “who felt some children wrongly perceived the crayon color was intended to represent the skin color of Native Americans,” when in fact the name actually originated from “a reddish-brown pigment found near India commonly used in fine artist oil paint” (Crayola). Regardless of the original meaning of the name, however, the fact that “Indian Red” could be perceived as derogatory towards a certain segment of the U.S. population was reason enough to change the name to “Chestnut” in 1999.

**Did You Know?**

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**What Happens When Culture is Left Out?**

You might be surprised at how many companies, even the large ones with huge budgets, have made amusing cultural blunders in their product naming efforts and overseas marketing campaigns. In other words, they made a business decision that resulted in a “costly or embarrassing situation that was foreseeable and avoidable.” Cultural differences can increase the number of potential communication barriers and businesses will do well to remember that consumers in different locations and cultures are influenced by their economies, values, attitudes, and preferences, and will therefore differ in “what they buy, why they buy, how they buy, when they buy, and where they buy” (Ricks).

According to David A. Ricks, author of “Blunders in International Business (2006),” “Because so many potential communication barriers exist, it is especially difficult for companies to effectively communicate with potential buyers. Messages can be translated incorrectly, inappropriate media
used, regulations overlooked, and economic or taste differences ignored. Sometimes the potential customer never receives the company’s message, and at other times the message arrives but because of its ineffectiveness is of little value. Every once in a while the buyer receives the message but, to the company’s dismay, the message sent was incorrect.”

Some examples of slogan, product design, and marketing flops based on ignorance of culture include:

- Animals are viewed as a low form of life in Thailand, so when an eye glass company attempted to sell their product using images depicting cute, little animals wearing glasses, the advertisement was rejected by the target population.

- Another company used an owl as part of its promotional strategy in India. Though the owl is seen as a symbol of wisdom in some cultures, in India it is believed to be a symbol of bad luck.

- The Lotus 1-2-3 spreadsheet package had to be changed due to negative feedback after its introduction in the Japanese market. Since many Japanese did not want the entire office to know every time they made a mistake, Lotus had to modify the program and remove all the audible beeps that sound when a user makes a mistake.

- Some companies forget that certain cultures read from right to left, rather than left to right. In this situation, a billboard in North America with pictures from left to right in the order of a man with a headache looking sad and in pain; a man taking a pill; and a man smiling without a headache will not have the same advertising effect in the Middle East.

While some of the above examples are amusing (though probably not to the companies in question), they still serve as an illustration of how difficult it can be to take your company’s product or service and begin to sell it in international markets.

A final example of a marketing campaign’s major lack of awareness and sensitivity towards the culture of their target audience occurred in Thailand. In this country, where most of the population is Buddhist, the distribution of a film poster that depicted a man sitting on the head of a statue of Buddha was not kindly received. Many Buddhists demanded the poster be changed and implored people to refrain from seeing the film. In addition to extremely negative reactions in Thailand, the poster also caused anger and public protests among monks in Malaysia, Burma, and Sri Lanka. Understanding,
appreciating, and respecting the culture of your target market is therefore extremely important when attempting to take your product or service into international markets.

As is clear from the above examples, appreciation for culture is so important to the success of your business. These examples also illustrate another central business reality: It is expensive to create a brand for your company, so why jeopardize all the money, time and effort you have put into branding by failing to consider how your marketing and advertising campaigns will be received in foreign markets? A little bit of research and cultural awareness can go a long way in helping you enter your target markets, avoid embarrassment, and prevent the alienation of potential customers.

**Conclusion: Next Steps**

If you are serious about entering and succeeding in foreign markets, then you must consider culture in every aspect of your product development, website design, and marketing campaign. For web content translation, you are advised to hire a professional, highly-experienced, and well-qualified translator that is native to the language and culture of your target market and who will be able to take into account cultural considerations involving expressions, slang, concepts, idioms, and other unique phrases. For your website development, it is a good idea to hire a web designer familiar with the concepts of localization and the needs of your target market.

Before publishing your website or distributing your product in a foreign market, you should also take special care to examine the following elements to ensure they are culturally sensitive and appropriate:

- Settings and Situations – historical figures or events that may be controversial or deemed offensive to a particular culture, religion, or ethnic group.
- Examples and Allegories – specifically religious, ethnic or cultural themes bearing a close resemblance to “real world” cultures.
- Images – maps, flags, icons, clip art, photos, and videos.
- Audio – voice, music, lyrics, and sound effects.
- Packaging – art work, text on the box, and reply addresses.
• Branding and Marketing – brand names, advertising and marketing campaigns, and promotional items.

• Messaging – interviews with the media, press releases, speeches, corporate events, and talking points.

Further, if you plan on entering new markets throughout the Middle East, South America, or Asia then it is important that you take the time to form and develop relationships based on trust and respect with prospective overseas business partners, as these relationships are the building blocks of successful business ventures in many cultures. Finally, it is crucial you learn from the mistakes other businesses have made. Read case studies, figure out how other companies went wrong, and then conduct the necessary research and devise strategies so you do not make the same mistakes.

“Learn from the mistakes of others. You can’t live long enough to make them all yourself” (Ricks).
Sources


Ricks, David A. Blunders in International Business, (Blackwell Publishing: 2006).


About wintranslation

wintranslation is a professional translation company based in Ontario, Canada. It has been serving clients across North America in over 100 languages since it was established in 1998. wintranslation’s services include document translation, glossary development, foreign language keyword research, translator/copywriter selection and recruitment, multilingual desktop publishing and website quality assurance testing.

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