

# A study on Impact of Cross-Cultural Marketing mix on Asia and Asia pacific region

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**Abstract**— The study highlight on the marketing mix cross-cultural Issues from the Asia and Asia pacific Region like as Australia, China (PRC)Bangladesh, Japan, Pakistan and India. There are a number of key cultural elements that international marketers need to take into consideration when designing products, developing promotions and implementing distribution systems in foreign markets. These elements include values, beliefs, thought processes, symbols, traditions, religion and language. In international markets this will involve taking into consideration a number of different factors including consumer's cultural backgrounds, religion, buying habits and levels of personal disposable income.

Index Terms— marketing mix, promotion, consider the habit, religious factors, natural factors for product, advertising methods, pricing strategy

## 1 INTRODUCTION

The marketing mix is often crucial when determining a product or brands offer and is often synonymous with the four Ps: product, price, place and promotion. Product is the most critical of the 4ps as it defines the business in which a company is involved and therefore dictates the nature of pricing, promotion and distribution strategies to be applied in selling it in the relevant domestic or international marketing environment. Company must understand how to adopt their pricing strategies to reflect this change in the international market place. It is important to remember that nations currency is part of the cultures symbolic system and that consumer purchasing decision are indeed affected by the shopper's culture [12].

To promoting a product you have to consider the habit of the customer that you are targeted. Once you have a good

marketing mix—the right product at the right price, offered in the right place and promoted in the right way—you will need to continue to stay on top of market changes and adopt your marketing mix as necessary. Marketing is a part of your venture that will never end.

## CROSS-CULTURAL MARKETING MIX

### 1 Product

Business people need to be careful that they never underestimate the impact that culture can have on consumer buying behavior. Developing your understanding, tolerance and acceptance of cultural differences is crucial if your international marketing objectives are to be accomplished.

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Basic marketing concepts tell us that we will sell more of a product if we aim to meet the needs of our target market. In international markets this will involve taking into consideration a number of different factors including consumer's cultural backgrounds, religion, buying habits and levels of personal disposable income. In many circumstances a company will have to adapt their product and marketing mix strategy to meet local "needs and wants" that cannot be changed.

McDonald is a global player however; their burgers are adapted to local needs. In India where a cow is a sacred

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animal their burgers contain chicken or fish instead of beef. In Mexico McDonalds burgers come with chilli sauce. Coca-cola is some parts of the world taste sweeter than in other places.

In today's global world, where consumers travel more, watch satellite television, communicate and shop internationally over the internet, the world is a smaller than it used to be. Because of this there is no need to adapt products to local markets. Brands such as MTV, Nike, Levis are all successful global brands where they have a standardized approach to their marketing mix, all these products are targeted at similar groups globally [3].

### **1.1 You have to consider the habit or test of customer's:**

If your business is food related. .such a change has been made to cope up with the existing culturally bound taste of Indians. Pizza Hut and Domino's now serve Tandoori, Paneer and Chettinad toppings which are absolutely new menu for these MNCs but culturally accepted traditional foodstuffs for Indians.

### **1.2 You have to consider the religious factors in selecting your product:**

If you wanted to do businesses of Panjabi and Payjama (A Muslim traditional dress) than you have a good market in Pakistan and Bangladesh. But you cannot go with this product in China or in Australia. On the other hand you cannot lunch short or miniskirts for girls in Muslim countries.

But a country like India you can do these mentioned cloth business but then you have to consider the state based situation in India.

### **1.3 You have to consider the natural factors for product,**

You have to consider the system and rules on the particular area. If you want to sell vehicle in Bangladesh like cars than you have to know how they use car, how is the road and so many thing. In Bangladesh driver are sites at right side in the car. That's why TATA, Toyota all the vehicles you will find the function of driver sites is in left side.

Language is a particularly important factor to consider when developing international marketing campaigns. It might not seem like a problem at first; all you need is a good interpreter. However, language is extremely complex with significant differences occurring not just between countries, but across different regions.<sup>[4]</sup>

Youth of India expects music which is somewhat related to their culture and prefer the styles like bhangra which is a traditional Indian music style. Realizing these desires, western channels like MTV and V channel has included Indian pop, a kind of fusion music of India into their charts.

## **2) Promotion**

Product promotion is an act of advertising a good or service with the short/long term goal of increasing sales. Many companies use different techniques to promote their products through a vast array of communication mediums. In this day and age, there is not necessarily one communication medium that is better than another simply because the most affective medium is based on what type of product you are promoting. There is the physical form of product promotion and the digital form, both of which require clear and concise textual information about the product being advertised [5].

As with international product decisions, an organization can either adapt or standardize their promotional strategy and message. Advertising messages in countries may have to be adapted because of language, political climate, cultural attitudes and religious practices [3].

For example a promotional strategy in one country could cause offence in another. Every aspect of promotional detail will require research and planning one example is the use of color; red is lucky in China and worn by brides in India, whilst white is worn by mourners in India and China and brides in the United Kingdom. Many organizations adapt promotion strategies to suit local markets as cultural backgrounds and practices affect what appeals to consumers.

To promote your product, in product packaging or advertisement you have to be very careful to pick the color. Make well plan and get enough data about your target audience color choice and psychology. In Asia pacific region colors like yellow and orange provoke excitement in the consumer; colors like blue and green establish trust, cleanliness, and calmness; red is a unique color in that it can provoke a sense of warning and danger but also at the same time, draw attention away from any other color, it is also sing of love and romance. [7].

To be effective, your promotional efforts should contain a clear message targeted to a specific audience reached via an appropriate channel. Your target audience will be the people who use or influence the purchase of your product. You should focus your market research efforts on identifying these individuals.

A key channel is advertising. Advertising methods to promote your product or service include the following. Radio, Television, Print, Electronic, Word of Mouth, Generic. Also you have to think the way you are promoting your product is legal or illegal. Will it taken by positive way or negative way. For example, In Bangladesh most of the company use to write

their company advertisement on roadside wall. But in china, they cannot write anything in a wall. Because, it is not legally support for china. Then, in India or Australia you can use very much sexual advertisement for any product suppose body spray AXE, but in Bangladesh or Pakistan you cannot promote sexual appeal promotion. If you do then government and as well as public from both side you will be attracted.

To make an emotional appeal in customers mind, using celebrity is promotion is very much effective. For example, Coca cola uses different celebrities in each region of India to communicate more effectively with the target market by considering their cultural variability. They use Aamir Khan in North India, Vijay in Tamil Nadu, Jyothika in Andhra Pradesh and Aishwarya Rai in rest of India endorsing

The same Coca-Cola. This shows the perspective of marketers that the people will feel more comfortable when they see a person from their own cultural background in advertisements and feel positive toward their products. In Sri Lanka context Santhosh and Bathiya endorse Coke and the concept of the advertisement is carefully designed to reflect the local culture in each frame.

To promoting a product you have to consider the habit of the customer that you are targeted. Such a situation with Noodles happened in India. Noodles are alright for dinner ones in a while and it is accepted in other countries as well but it was unsuccessful in India. Since Indians consider idly, dosa, chappathi, etc. as their dinner menu. Then Maggi wanted another marketing strategy to sell its product and it marketed Maggi as a snack not as a dinner and succeeded in the market. They also went along with curry flavor, tomato flavor, etc. in India [7].

### 3) Pricing:

Of all the aspects of the marketing mix, price is the one, which creates sales revenue all the others are costs. The price of an item is clearly an important determinant of the value of sales made. In theory, price is really determined by the discovery of what customers perceive is the value of the item on sale. Researching consumers' opinions about pricing is important as it indicates how they value what they are looking for as well as what they want to pay. An organization's pricing policy will vary according to time and circumstances. Crudely speaking, the value of water in the Lake District will be considerably different from the value of water in the desert [9].

Pricing on an international scale is a complex task. As well as taking into account traditional price considerations such as

fixed and variable costs, competition and target groups an organization needs to consider additional factor such as

- The cost of transport
- Tariffs or import duties
- Exchange rate fluctuations
- Personal disposal incomes of the target market
- the currency they want to be paid in and
- The general economic situation of the country and how this will influence pricing.

The internet has created further challenges as customers can view global prices and purchase items from around the world. This has increased the level of competition and with it pricing pressures, as global competitors may have lower operating costs [3].

In some area price is important than products quality. So in those places you have to be more careful to making the price. For example, MNCs like KFC and McDonalds are giving their primary concern to the price they charge from Sri Lankans since people in Sri Lanka are more conscious about the prices of product than the quality. Even the displays they use to show their products, specifically display the price of each product [10].

As a decision maker, follow a number of alternative pricing strategies. Selection of a pricing strategy should be based on your product, customer demand, the competitive environment, and the other products you will offer.

- **Cost-plus:** Adds a standard percentage of profit above the cost of producing a product. Accurately assessing fixed and variable costs is an important part of this pricing method.
- **Value-based:** Based on the buyer's perception of value (rather than on your costs). The buyer's perception depends on all aspects of the product, including non-price factors such as quality, healthfulness, and prestige.
- **Competitive:** Based on prices charged by competing firms for competing products. This pricing structure is relatively simple to follow because you maintain your price relative to your competitors' prices.
- **Going-rate:** A price charged that is the common or going-rate in the marketplace. Going-rate pricing is common in markets where most firms have little or no control over the market price.
- **Psychological:** Based on a price that looks better, for example, \$4.99 per pound instead of \$5.00 per pound. (e.g. Mobile network company in Bangladesh and in India giving this king offer, recharge 21tk 21<sup>st</sup> February and get 100% bonus[6].

Whatever your price may be, ultimately it must cover your costs, contribute to your image by communicating the perceived value of your product, counter the competition's offer, and avoid deadly price wars. Remember, price is the one "P" that generates revenue, while the other three "P's" incur costs. Effective pricing is important to the success of your business.

#### 4. Place

The Place element of the marketing mix is about distributing a product or service to the customer, at the right place and at the right time. Distribution in national markets such as the United Kingdom will probably involve goods being moved in a chain from the manufacturer to wholesalers and onto retailers for consumers to buy from. In an overseas market there will be more parties involved because the goods need to be moved around a foreign market where business practices will be different to national markets.

For example in Japan there are approximately five different types of wholesaler involved in the distribution chain. Businesses will need to investigate distribution chains for each country they would like to operate in. They will also need to investigate who they would like to sell their products and services to businesses, retailers, and wholesaler or directly to consumers. The distribution strategy for each country a business operates in could be different due to profit margins and transportation costs [3].

Product characteristics and your sales volumes will dictate what inventories to maintain and how best to transport your products. Additionally, the logistics associated with acquiring raw materials and ensuring that your final product is in the right place at the right time for the right customers can comprise a large percentage of your total costs and needs careful monitoring. You may decide to have a combination of all the distribution methods. Whatever you decide, choose the method which you believe will work best for you [6].

#### CONCLUSION

If any company wants to get successful in international market first they need to understand cultural Issues and behavior of the market. Cross cultural Issues One of the effective methods to generate more customers is marketing mix. The four component of marketing mix is product, price, place and promotion where you have to accomplish all the task of this four component considering your target market and their cultural matters to get the success.

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